

Board Office Use: Legislative File Info.	
File ID Number	23-2306
Introduction Date	10/11/2023
Enactment Number	23-1717
Enactment Date	10/11/2023 er



Board Cover Memorandum

To Board of Education

From Kyla Johnson-Trammell, Superintendent
Lisa Grant-Dawson, Chief Business Officer

Meeting Date October 11, 2023

Subject Approval of Resolution 2324-0136 Authorizing The Issuance And Sale Of Refunding Bonds In An Aggregate Principal Amount Not To Exceed \$250,000,000; Prescribing The Terms Of Said Refunding Bonds; Approving The Forms Of And Authorizing The Execution And Delivery Of A Paying Agent Agreement, An Escrow Agreement, A Bond Purchase Agreement, A Dealer Manager Agreement, A Tender Agent Agreement, An Invitation To Tender Bonds, And A Continuing Disclosure Certificate; Authorizing The Preparation And Execution And Delivery Of An Official Statement For Said Bonds; And Authorizing The Execution Of Necessary Documents And Certificates Relating To Said Refunding Bonds.

Ask of the Board Approval of Resolution 2324-0136 Authorizing The Issuance And Sale Of Refunding Bonds In An Aggregate Principal Amount Not To Exceed \$250,000,000; Prescribing The Terms Of Said Refunding Bonds; Approving The Forms Of And Authorizing The Execution And Delivery Of A Paying Agent Agreement, An Escrow Agreement, A Bond Purchase Agreement, A Dealer Manager Agreement, A Tender Agent Agreement, An Invitation To Tender Bonds, And A Continuing Disclosure Certificate; Authorizing The Preparation And Execution And Delivery Of An Official Statement For Said Bonds; And Authorizing The Execution Of Necessary Documents And Certificates Relating To Said Refunding Bonds.

Background The District may have an opportunity, in the current market conditions , to tender refund all or a portion of the District’s General Obligation Bonds as listed below (collectively, the “Target Bonds”):

Oakland Unified School District
(County of Alameda, California)
General Obligation Bonds
(Election of 2012), Series 2015A

Oakland Unified School District
(County of Alameda, California)
2015 General Obligation Refunding Bonds

Oakland Unified School District
(County of Alameda, California)
General Obligation Bonds
(Election of 2006), Series 2016A

Oakland Unified School District

(County of Alameda, California)
2016 General Obligation Refunding Bonds

Oakland Unified School District
(County of Alameda, California)
General Obligation Refunding Bonds,
(Measure B) 2017 Series B

Oakland Unified School District
(County of Alameda, California)
General Obligation Refunding Bonds,
(Measure J) 2017 Series C

Oakland Unified School District
(County of Alameda, California)
General Obligation Crossover Refunding Bonds,
(Measure B) 2017 Series D (Taxable)

Oakland Unified School District
(County of Alameda, California)
General Obligation Bonds
(Election of 2012), Series 2019A

A Tender Refunding is a method of bond refinancing that can achieve savings on the debt service to outstanding bonds; thereby saving tax payers money. The tender offer is provided to existing holders of OUSD's outstanding Target Bonds to purchase targeted bonds from investors at a predetermined price and provide taxpayer savings to the Oakland community.

The resolution presented for Board approval authorizes the issuance and sale of Refunding Bonds. The resolution also lays out a number of good faith estimates for the Refunding Bonds including:

- Not-to-exceed par amount of \$250 million.
- A true interest cost estimate of 4.201%
- A total payment amount estimated at \$363 million
- A minimum present value (PV) savings threshold of 3.0% of the principal amount of the Prior Bonds tendered for purchase

The resolution also includes the following attachments in DRAFT form:

- Bond Purchase Agreement – Agreement that gets executed at pricing between the District and underwriters establishing the terms of the bond sale.
- Dealer Management Agreement - An agreement that governs the relationship between the District and the entity managing the Tender Offer.
- Escrow Agent Agreement – A escrow agent holds and invests the refunding bond proceeds until the call date for the refunded bonds. This agreement provides US Bank with instructions during the escrow period.
- Invitation to Tender Bonds – Distributed to current holders of OUSD's outstanding Target Bonds the District is interested in refunding.
- Tender Agent Agreement - A tender agent accepts the appointment as tender agent and agrees to perform the duties of tender agent for the District.
- Paying Agent Agreement – A paying agent distributes the required payments to bondholders. This agreement engages US Bank and specifies their responsibilities.
- Preliminary Official Statement ("POS") – Offering document which prospective purchasers of the bonds use to learn about the District and the bonds.

- Continuing Disclosure Certificate – The District covenants for the benefit of bondholders to provide certain annual financial information and operating data relating to the District.

Recommendation

It is recommended that the Governing Board Approval of Resolution 2324-0136 Authorizing The Issuance And Sale Of Refunding Bonds In An Aggregate Principal Amount Not To Exceed \$250,000,000; Prescribing The Terms Of Said Refunding Bonds; Approving The Forms Of And Authorizing The Execution And Delivery Of A Paying Agent Agreement, An Escrow Agreement, A Bond Purchase Agreement, A Dealer Manager Agreement, A Tender Agent Agreement, An Invitation To Tender Bonds, And A Continuing Disclosure Certificate; Authorizing The Preparation And Execution And Delivery Of An Official Statement For Said Bonds; And Authorizing The Execution Of Necessary Documents And Certificates Relating To Said Refunding Bonds.

Attachment(s)

- Resolution 2324-0136
- Resolution 2324-0134
- Draft Bond Purchase Agreement – Agreement that gets executed at pricing between the District and underwriters establishing the terms of the bond sale.
- Draft Dealer Management Agreement - An agreement that governs the relationship between the District and the entity managing the Tender Offer.
- Draft Escrow Agent Agreement – A escrow agent holds and invests the refunding bond proceeds until the call date for the refunded bonds. This agreement provides US Bank with instructions during the escrow period.
- Draft Invitation to Tender Bonds – Distributed to current holders of OUSD’s outstanding Target Bonds the District is interested in refunding.
- Draft Paying Agent Agreement – A paying agent distributes the required payments to bondholders. This agreement engages US Bank and specifies their responsibilities.
- Presentation Regarding Taxpayer Savings Opportunity 2023- OUSD
- Tender Agent Agreement – A tender agent accepts the appointment as tender agent and agrees to perform the duties of tender agent for the District.
- Preliminary Official Statement (“POS”) – Offering document which prospective purchasers of the bonds use to learn about the District and the bonds.
- Continuing Disclosure Certificate – The District covenants for the benefit of bondholders to provide certain annual financial information and operating data relating to the District.

**BOARD OF EDUCATION OF THE OAKLAND UNIFIED
SCHOOL DISTRICT COUNTY OF ALAMEDA, STATE OF CALIFORNIA
RESOLUTION NO. 2324-0136**

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF REFUNDING BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$250,000,000; PRESCRIBING THE TERMS OF SAID REFUNDING BONDS; APPROVING THE FORMS OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A PAYING AGENT AGREEMENT, AN ESCROW AGREEMENT, A BOND PURCHASE AGREEMENT, A DEALER MANAGER AGREEMENT, A TENDER AGENT AGREEMENT, AN INVITATION TO TENDER BONDS, AND A CONTINUING DISCLOSURE CERTIFICATE; AUTHORIZING THE PREPARATION AND EXECUTION AND DELIVERY OF AN OFFICIAL STATEMENT FOR SAID BONDS; AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES RELATING TO SAID REFUNDING BONDS.

WHEREAS, the Board of Education (the "Board of Education") of the Oakland Unified School District (herein called the "District") of the County of Alameda, State of California (the "County"), has heretofore issued or caused to be issued the following bonds under Measure A, approved by the voters on March 7, 2000 ("Measure A"); Measure B, approved by the voters on June 6, 2006 ("Measure B"); and Measure J approved by the voters on November 6, 2012 ("Measure J"), which bonds are currently outstanding as follows (collectively, the "Outstanding Bonds"):

Issue Name	Date of Issuance	Original Issuance Amount	Outstanding Amount	Expected Optional Redemption Date
Oakland Unified School District General Obligation Bonds (Election of 2012), Series 2015A (the "2015A Bonds")	August 20, 2015	\$173,500,000	\$46,605,000	August 1, 2025
Oakland Unified School District 2015 General Obligation Refunding Bonds (the "2015 Refunding Bonds")	August 20, 2015	\$168,705,000	\$90,940,000	August 1, 2025
Oakland Unified School District General Obligation Bonds (Election of 2006), Series 2016A (the "2016A Bonds")	August 17, 2016	\$65,000,000	\$56,875,000	August 1, 2026
Oakland Unified School District 2016 General Obligation Refunding Bonds (the "2016 Refunding Bonds")	August 17, 2016	\$155,780,000	\$120,075,000	August 1, 2026
Oakland Unified School District General Obligation Refunding Bonds, (Measure B) 2017 Series	May 25, 2017	\$24,155,000	\$22,625,000	August 1, 2027

B (the “2017B Refunding Bonds”)

Oakland Unified School District General Obligation Refunding Bonds, (Measure J) 2017 Series C (the “2017C Refunding Bonds”)	May 25, 2017	\$82,930,000	\$81,355,000	August 1, 2027
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Oakland Unified School District General Obligation Crossover Refunding Bonds, (Measure B) 2017 Series D (Taxable) (the “2017D Refunding Bonds”)	May 25, 2017	\$75,420,000	\$75,420,000	August 1, 2027
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Oakland Unified School District General Obligation Bonds (Election of 2012), Series 2019A (the “2019A Bonds”)	August 13, 2019	\$160,000,000	\$160,000,000	August 1, 2027
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WHEREAS, the Board of Education has determined, and does hereby declare, that it is necessary and desirable and that the prudent management of the fiscal affairs of the District requires that all or a portion of the Outstanding Bonds originally issued, in certain instances as non-rated debt, now be refunded (such bonds to be refunded being collectively referred to herein as the “Prior Bonds”); and

WHEREAS, pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (the “Government Code”) and other applicable law, and pursuant to the respective documents providing for the issuance of the Outstanding Bonds, the District is authorized to issue refunding bonds (the “Refunding Bonds”) to refund the Prior Bonds, and to sell its Refunding Bonds on a negotiated sale basis; and

WHEREAS, the Board of Education deems it necessary and desirable that the Prior Bonds be refunded and pursuant hereto the District is authorizing the issuance of its “Oakland Unified School District General Obligation Refunding Bonds, Series 2023A,” (the “2023A Refunding Bonds”) and its “Oakland Unified School District General Obligation Refunding Bonds, Series 2023B (Federally Taxable)” (the “2023B Refunding Bonds” and, together with the 2023A Refunding Bonds, the “Refunding Bonds”) in an aggregate principal amount not to exceed \$250,000,000, in two or more series to refund all of the Prior Bonds; and

WHEREAS, as the Outstanding Bonds are not currently subject to redemption, in order to restructure the debt, the District may request a tender of all or a portion of the Outstanding Bonds (the “Tendered Bonds”), and use proceeds of the 2023A Refunding Bonds to purchase and cancel the Tendered Bonds, thereby reducing debt service requirements in the near term; and

WHEREAS, pursuant to Section 53558 of the Government Code, the District is authorized to deposit all or a portion of the proceeds of the sale of the Refunding Bonds in escrow in an amount sufficient to pay (i) the principal of and interest and redemption premiums, if any, on the Prior Bonds, which may include the purchase price of the Tendered Bonds, as they become

due on and prior to the redemption date, or at designated dates prior to maturity, and (ii) the other designated costs of issuing the Refunding Bonds, the estimate of which is attached hereto as Appendix A; and

WHEREAS, pursuant to Section 53584 of the Government Code, the District is authorized to apply all or a portion of the proceeds of the sale of the 2023A Refunding Bonds to the purchase for cancellation upon their purchase of the Tendered Bonds, anticipated to occur on or after November 8, 2023; and

WHEREAS, pursuant to Section 53555 of the Government Code, 2023A Refunding Bonds may be exchanged for bonds being refunded on such basis as the Board of Education determines is for the benefit of the District, and the Board of Education has determined it may be of benefit of the District to offer to exchange any or all of the Tender Bonds for 2023A Refunding Bonds in order to restructure its debt; and

WHEREAS, the Superintendent of Schools of the County of Alameda (the “County”) has jurisdiction over the District; and

WHEREAS, the Board of Education has determined that because of the need for flexibility in timing and structuring the sale of the Refunding Bonds in order to achieve maximum interest cost savings and arrange for the purchase or exchange of Tendered Bonds in order to achieve the desired restructuring, it is desirable to sell the Refunding Bonds from time to time on a negotiated sale basis to Siebert Williams Shank & Co., LLC (the “Underwriter”) or by private placement to one or more investors pursuant to one or more Bond Purchase Contracts (collectively, the “Bond Purchase Contracts”); and

WHEREAS, U.S. Bank Trust Company, National Association has been approved by the Treasurer-Tax Collector of the County (the “County Treasurer”) to and will act as paying agent (the “Paying Agent”) with respect to the Refunding Bonds, and as escrow agent (the “Escrow Agent”) with respect to the Prior Bonds; and

WHEREAS, the District may undertake a tender or exchange offer for the Tendered Bonds and desires to approve the preparation and distribution of an Invitation to Tender Bonds (the “Invitation to Tender”) with respect to such Tendered Bonds; and

WHEREAS, the District proposes to enter into a dealer manager agreement (the “Dealer Manager Agreement”) with Siebert Williams Shank & Co., LLC (the “Dealer Manager”) to assist in the tendering of the Tendered Bonds, and one or more tender agent agreements (each, a “Tender Agent Agreement”) with the Tender Agent (as defined herein); and

WHEREAS, the District proposes to enter into one or more Escrow Agreements (each, an “Escrow Agreement”) with the Escrow Agent directing the creation of escrow funds for the deposit of proceeds of the sale of the Refunding Bonds for the purpose of paying and redeeming the Prior Bonds; and

WHEREAS, the Board of Education recognizes that Senate Bill 222 (Chapter 78, Statutes of 2015), which provides for a statutory lien to secure repayment of general obligation

bonds, was passed by the legislature and approved by the Governor of the State (the “Governor”) and became effective January 1, 2016; and

WHEREAS, the pledge included in this Resolution to secure payment of the Refunding Bonds is intended to be a consensual agreement with the bondholders; and

WHEREAS, Senate Bill 1029 (“SB1029”) was signed by the Governor on September 12, 2016 and places additional responsibilities on any issuer of public debt, including adopting debt management policies that meet certain criteria; and

WHEREAS, the District represents that it is in compliance with SB1029 pre-issuance requirements, the Refunding Bonds will be issued in compliance with the debt policy of the District and the District will comply with all post-issuance requirements of SB1029; and

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

WHEREAS, in compliance with said Section, the Board of Education has obtained from the Municipal Advisor (defined herein) the required good faith estimates for the Refunding Bonds and such estimates are disclosed and set forth in Appendix B attached hereto; and

WHEREAS, the Board of Education desires that the County Treasurer should collect a tax on all taxable property within the District sufficient to provide for payment of the Refunding Bonds, and intends by the adoption of this Resolution to notify the Board of Supervisors of the County (the “Board of Supervisors”), the Auditor-Controller of the County (the “County Auditor”), the County Treasurer and other officials of the County, that they should take such actions as shall be necessary to provide for the levy and collection of such a tax and payment of the Refunding Bonds and such portion, if any, of the Outstanding Bonds as shall remain outstanding following the issuance of the Refunding Bonds; and

WHEREAS, the Board of Education desires to appoint the firm of Orrick, Herrington & Sutcliffe LLP as bond and disclosure counsel to the District (“Bond Counsel”), the firm of Isom Advisors, a Division of Urban Futures, Inc., as municipal advisor to the District (the “Municipal Advisor”), and the firm of Siebert Williams Shank & Co., LLC, as the Underwriter; and

WHEREAS, there have been submitted and are on file with the Secretary of the Board of Education proposed forms of a Bond Purchase Agreement, a Paying Agent Agreement providing for the terms of issuance and repayment of the bonds, an Official Statement, an Escrow Agreement, a Dealer Manager Agreement, a Tender Agent Agreement, an Invitation to Tender and

a Continuing Disclosure Certificate setting forth certain ongoing disclosure obligations of the District;

NOW, THEREFORE, THE BOARD OF EDUCATION OF THE OAKLAND UNIFIED SCHOOL DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER, AS FOLLOWS:

Section 1. Recitals. All of the above recitals are true and correct.

Section 2. Authorization of Refunding Bonds and of Redemption of Prior Bonds; Application of Proceeds of Sale. The Board of Education hereby authorizes the sale and issuance of one or more series of refunding bonds of the District and the designation of said bonds as the “Oakland Unified School District General Obligation Refunding Bonds, Series 2023A” and the “Oakland Unified School District General Obligation Refunding Bonds, Series 2023B (Federally Taxable)” in an aggregate principal amount not to exceed \$250,000,000, which amount shall be finally determined by the Superintendent, the Chief Business Officer, the Interim General Counsel, the Acting Chief of Staff, the Chief Systems & Services Officer or the Controller of the District, or such other officer of the District designated by the Superintendent, the Chief Business Officer, the Interim General Counsel, the Acting Chief of Staff, the Chief Systems & Services Officer or the Controller of the District (each, an “Authorized District Representative”), in accordance with the provisions of Section 10 hereof and with the general laws of the State of California (the “State”).

Proceeds from the sale of the Refunding Bonds are hereby authorized to be applied only as permitted by Article 9 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code, including to acquire escrow securities or otherwise to pay or provide for payment of the principal of the Prior Bonds upon redemption thereof; to pay all expenses incident to the calling, retiring or paying of the Prior Bonds and to the issuance of the Refunding Bonds, including but not limited to: charges of the Paying Agent in connection with the issuance and payment of the Refunding Bonds; charges of the Escrow Agent in connection with the redemption of the Prior Bonds; charges of Globic Advisors, as tender agent and information agent (the “Tender Agent” and the “Information Agent”) in connection with the purchase and cancellation of the Tendered Bonds; charges and/or incidental expenses of the Dealer Manager in connection with the purchase and cancellation of the Tendered Bonds; such interest upon the Prior Bonds from the date of sale of the Refunding Bonds to the maturity or earlier redemption date of such Prior Bonds; any premium payable upon the redemption of the Prior Bonds; yield reduction payments or other liabilities owed to the U.S. Treasury as a result of the transactions contemplated herein; and the costs of any bond insurance or other credit enhancement with respect to the Refunding Bonds. The Board of Education hereby further determines that all interest or other gain derived from the investment of proceeds of the Refunding Bonds may be applied to pay such costs of issuance of the Refunding Bonds.

Section 3. Terms of Refunding Bonds. The maximum annual interest rate on the Refunding Bonds shall not be in excess of the maximum prescribed by the Education Code of the State of California (8.0%), payable as described in the Paying Agent Agreement referred to in Section 5 hereof. The Refunding Bonds shall mature on a date or dates, in such of the years,

beginning no earlier than February 1, 2024, and concluding no later than the final maturity of the Prior Bonds, as shall be specified in the Bond Purchase Agreement described in Section 10 hereof. No Refunding Bonds shall have principal maturing on more than one principal maturity date; however, it shall not be necessary that a portion of the aggregate principal amount mature in each year.

The Refunding Bonds may be issued as current interest bonds. The aggregate principal amount of the Refunding Bonds shall not exceed \$250,000,000.

The aggregate principal amount of the current interest bonds, the date thereof, the maturity dates, principal amounts and annual rates of interest of each maturity thereof, the initial and semiannual interest payment dates thereof, and the terms of optional and mandatory sinking fund redemption thereof, shall be as specified in the Bond Purchase Agreement.

Section 4. Tax Treatment of Refunding Bonds. All or any portion of the Refunding Bonds may be issued as exempt from federal income tax, as the Authorized District Representative shall determine upon consultation with the Municipal Advisor, and according to the terms and conditions Bond Counsel to the District shall advise are appropriate to and necessary for the issuance of tax-exempt bonds.

Section 5. Paying Agent Agreement. The form of instrument entitled “Paying Agent Agreement,” by and between the District and U.S. Bank Trust Company, National Association, as Paying Agent, in substantially the form on file with the Secretary of the Board of Education, is hereby approved and authorized. The Authorized District Representative is hereby authorized and directed to execute and deliver one or more instruments in substantially said form, completed with terms as shall be agreed to by the Authorized District Representative in accordance with this Resolution, and with such other changes therein as the Authorized District Representative may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. All other terms of the Refunding Bonds required by Sections 53553 and 53554 of the Government Code and not otherwise specified herein shall be as specified in the Paying Agent Agreement.

Section 6. Escrow Agreement. The form of instrument entitled “Escrow Agreement,” by and between the District and the Escrow Agent, in substantially the form on file with the Secretary of the Board of Education, is hereby approved and authorized. The Authorized District Representative is hereby authorized and directed to execute and deliver one or more instruments in substantially said form, completed with terms as shall be agreed to by the Authorized District Representative in accordance with this Resolution, and with such other changes therein as the Authorized District Representative may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 7. Official Statement. The form of instrument entitled “Official Statement,” in substantially the form on file with the Secretary of the Board of Education (the “Official Statement”), is hereby approved and authorized. The Authorized District Representative is hereby authorized and directed on behalf of the District to execute and deliver one or more instruments in substantially said form, with such changes, additions and corrections as the Authorized District Representative deems necessary, and the Underwriter with respect to the Refunding Bonds are hereby authorized to distribute copies of one or more instruments in

preliminary form to persons who may be interested in purchasing the Refunding Bonds. The Authorized District Representative is hereby authorized to certify to the Underwriter of the Refunding Bonds on behalf of the District, that the preliminary form of the Official Statement was deemed final as of its date, within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (the “Rule”) (except for the omission of certain final pricing, rating and related information as permitted by said Rule). The Authorized District Representative is hereby authorized and directed to sign said Official Statement in its final form, including the final pricing information, and to furnish to the Underwriter of the Refunding Bonds with copies thereof, and the Underwriter are hereby authorized and directed to deliver copies of such Official Statement in final form to subsequent purchasers of the Refunding Bonds.

Section 8. Tender Agent Agreement. The form of instrument entitled “Tender Agent Agreement,” between the District and Tender Agent, in substantially the form on file with the Secretary of the Board of Education, is hereby approved and authorized. The Authorized District Representative is hereby authorized and directed to execute and deliver one or more instruments in substantially said form, completed with terms as shall be agreed to by the Authorized District Representative in accordance with this Resolution, and with such other changes therein as the Authorized District Representative may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 9. Invitation to Tender. The form of instrument entitled “Invitation to Tender Bonds,” in substantially the form on file with the Secretary of the Board of Education, is hereby approved and authorized. The Authorized District Representative is hereby authorized and directed to execute and deliver one or more instruments in substantially said form, and the Dealer Manager is hereby authorized to distribute copies of such Invitation to Tender to owners who may be interested in tendering the Tendered Bonds. The Authorized Representative is hereby further authorized and directed to sign and deliver said Invitation to Tender with terms as shall be agreed to by the Authorized District Representative in accordance with this Resolution, and with such other changes therein as the Authorized District Representative may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 10. Bond Purchase Agreement. The form of instrument entitled “Bond Purchase Agreement,” by and between the District and the Underwriter, in substantially the form on file with the Secretary of the Board of Education, is hereby approved and adopted as the contract for purchase and sale of the Refunding Bonds. The Authorized District Representative is hereby authorized and directed to execute and deliver one or more instruments in substantially said form, completed with terms as shall be agreed to by the Authorized District Representative in accordance with this Resolution, and with such other changes therein as the Authorized District Representative may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided that: (i) the total net interest cost to maturity on the Refunding Bonds plus the aggregate principal amount of the Refunding Bonds shall be less than the total net interest cost to maturity on the Prior Bonds plus the aggregate principal amount of the Prior Bonds; (ii) the net present value savings from the issuance of the Refunding Bonds shall be equal to at least 3.0% of the principal amount of the Prior Bonds tendered for purchase from proceeds of, exchanged for and/or refunded by the Refunding Bonds, provided that the Authorized Representative may take into account the combined savings of all series of Refunding Bonds sold on the same date for purposes of such net present value savings analysis; (iii) the Underwriter’s discount shall not

exceed 0.24% of the aggregate principal amount of the Refunding Bonds; and (iv) the Refunding Bonds shall otherwise conform to the limitations specified herein and imposed by the general laws of the State.

The Dealer Manager Agreement, in substantially the form submitted to the Board of Education, is hereby approved, and the Authorized District Representative is hereby authorized to execute and deliver the Dealer Manager Agreement in substantially said form, with such changes, additions and corrections thereto as the Authorized Representative of the District may require or approve, and the District's approval of the Dealer Manager Agreement shall be conclusively evidenced by the execution and delivery thereof; provided that (i) the underwriting compensation (excluding costs of issuance) shall not exceed 0.24% of the principal amount of the 2023A Refunding Bonds; (ii) the total net interest costs to maturity of the 2023A Refunding Bonds plus the principal amount of the 2023A Refunding Bonds shall be less than the total net interest cost to maturity on the Tendered Bonds, as applicable, plus the principal amount of the Tendered Bonds, as applicable; and (iii) the 2023A Refunding Bonds shall otherwise conform to the limitations specified herein and imposed by the general laws of the State and the fee of the Dealer Manager shall not exceed 0.25% of the principal amount or accreted value, as applicable, of the Tendered Bonds.

Section 11. Pledge of and Lien on Tax Revenues. The District hereby pledges, and grants a lien on and security interest in, all revenues from the property taxes collected from the levy by the Board of Supervisors of the County with respect to each voter-approved bond measure of the District for the payment of District Bonds issued under such bond measure and all amounts on deposit in any interest and sinking fund of the District related to such bond measure with respect to the District Bonds of such bond measure, in order to secure the payment of the principal or redemption price of and interest on such District Bonds. This pledge and grant shall be valid and binding from the date hereof for the benefit of the owners of the District Bonds and successors thereto. The property taxes and amounts held in any interest and sinking fund of the District shall be immediately subject to this pledge and grant, and the pledge and grant shall constitute a lien and security interest which shall immediately attach to (i) the property taxes heretofore and hereafter collected and (ii) the amounts held in any interest and sinking fund of the District. This pledge and grant shall secure the payment of District Bonds and shall be effective, binding, and enforceable against the District, its successors, creditors and all others irrespective of whether those parties have notice of the pledge or grant and without the need of any physical delivery, recordation, filing, or further act. The pledge and grant is an agreement between the District and the owners of District Bonds to provide security for the District Bonds in addition to any statutory lien that may exist, and the District Bonds secured by the pledge and grant are or were issued to finance one or more of the projects specified in the applicable voter-approved measure.

“District Bonds” means all bonds, including refunding bonds, of the District heretofore or hereafter issued pursuant to voter-approved measures of the District, including bonds approved by the voters of the District pursuant to Measure C (approved by the voters at an election duly called and regularly held in the District on November 8, 1994, authorizing the issuance of \$169,730,000 in bonds), Measure A, Measure B, Measure J, and Measure Y (approved by the voters at an election duly called and regularly held in the District on November 3, 2020, authorizing the issuance of \$735,000,000 in bonds).

Section 12. Request for Necessary County Actions. (a) The Board of Supervisors, the County Auditor, the County Treasurer, and other officials of the County, are hereby requested to take and authorize such actions as may be necessary pursuant to law to provide for the levy and collection of a property tax on all taxable property of the District sufficient to provide for payment of all principal of, redemption premium, if any, and interest on the Refunding Bonds, as the same shall become due and payable, and to apply moneys in the District's interest and sinking fund of the District as necessary to the payment of the Refunding Bonds, pursuant to the Paying Agent Agreement as finally executed, and to the payment of any Outstanding Bonds of the District which are to remain outstanding, pursuant to the documents under which such Outstanding Bonds were issued. The Secretary of the Board of Education is hereby authorized and directed to deliver certified copies of this Resolution to the Clerk of the Board of Supervisors, the County Auditor and the County Treasurer. The Board of Education hereby agrees to reimburse the County for any costs associated with the levy and collection of said tax, upon such documentation of said costs as the District shall reasonably request.

(b) The Board of Supervisors, the County Auditor, the County Treasurer, and other officials of the County, are hereby requested to take and authorize such actions as may be necessary, upon, but only upon, the issuance of the Refunding Bonds, to discontinue the levy of property taxes on all taxable property of the District for the payment of the Prior Bonds, pursuant to Section 53561 of the Government Code.

Section 13. Notice of Defeasance and Redemption of Prior Bonds. The Escrow Agent is hereby authorized and directed to give notice of defeasance and redemption of the Prior Bonds to be redeemed on the date and in the manner set forth in the Escrow Agreement, or the District shall cause notice of defeasance and redemption of the Prior Bonds as may otherwise be necessary or desirable, and pursuant to the terms set forth in the documents governing the redemption of the Prior Bonds.

Section 14. Continuing Disclosure. The form of instrument entitled, "Continuing Disclosure Certificate," in substantially the form on file with the Secretary of the Board of Education, is hereby approved and authorized. The Authorized District Representative is hereby authorized and directed on behalf of the District to execute and deliver one or more instruments in substantially said form, with such changes thereto as deemed necessary in order to permit the Underwriter of the Refunding Bonds to comply with the requirements of the Rule. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of such Continuing Disclosure Certificate.

Section 15. Appointment of Bond Counsel, Municipal Advisor and Underwriter. The firm of Orrick, Herrington & Sutcliffe LLP is hereby appointed Bond Counsel to the District in connection with the Refunding Bonds. The firm of Isom Advisors, a Division of Urban Futures, Inc. is hereby appointed Municipal Advisor to the District in connection with the Refunding Bonds. The firm of Siebert Williams Shank & Co., LLC is hereby appointed as Underwriter and Dealer Manager in connection with the Refunding Bonds.

Section 16. Authorization of Further Actions. (a) The Municipal Advisor, Bond Counsel and the appropriate District officials are hereby authorized and directed to continue to

prepare the necessary legal documents to accomplish said financing and the other transactions authorized herein, and to take any and all necessary actions in connection therewith.

(b) The officers and employees of the District are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable in order to consummate the transactions herein authorized, and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution. The President, Clerk and Secretary of the Board of Education, and the Superintendent, the Chief Business Officer, the Interim General Counsel, the Acting Chief of Staff, the Chief Systems & Services Officer or the Controller of the District, or such other officer of the District designated by the Superintendent, the Chief Business Officer, the Interim General Counsel, the Acting Chief of Staff, the Chief Systems & Services Officer or the Controller of the District are hereby authorized and directed to provide for the purchase of escrow securities, to engage certified public accountants to verify the sufficiency of the funds deposited in escrow, dealer manager agreements or other agreements or documents necessary or desirable in order to effect a tender offer for the Prior Bonds, to execute and deliver any and all notices, certificates and representations, including signature certificates, no-litigation certificates, tax certificates, certificates relating to continuing disclosure obligations, notices to the California Debt and Investment Advisory Commission, and certificates concerning the Official Statement describing the Refunding Bonds, to enter into such agreements or contracts, including, but not limited to, as may be necessary to obtain bond insurance with respect to the Refunding Bonds, paying agent services with respect to the Refunding Bonds, verification agent services with respect to the Prior Bonds, or escrow agent services with respect to the Prior Bonds, as such officers or employees deem necessary and desirable to accomplish the purposes of this Resolution.

Section 17. Non-Liability of County; Indemnification. Notwithstanding anything stated to the contrary in this Resolution, the Refunding Bonds are not a debt of the County, including its Board of Supervisors, officers, officials, agents and employees, and the County, including its Board of Supervisors, officers, officials, agents and employees, has no obligation to repay the Refunding Bonds. Neither the County, nor its Board of Supervisors, nor any officer, official, agent or employee of the County, shall have any obligation or liability hereunder or in connection with the transactions contemplated hereby other than as specified in the Education Code. The Refunding Bonds, including the interest thereon, are payable solely from taxes levied under Section 15250 of the Education Code. The County has no responsibility and assumes no liability whatsoever arising from the expenditure of the proceeds of the Refunding Bonds by the District.

The County (including its officers, agents and employees) shall undertake only those duties of the County under this Resolution which are specifically set forth in this Resolution, and even during the continuance of an event of default with respect to the Refunding Bonds, no implied covenants or obligations shall be read into this Resolution against the County (including its officers, agents and employees).

The District further agrees to indemnify, defend and save the County (including its officers, agents and employees) harmless against any and all liabilities, costs, expenses, damages and claims which it may incur in the exercise and performance of its powers and duties hereunder which are not due to its negligence or bad faith.

Section 18. Notice to California Debt and Investment Advisory Commission. Orrick, Herrington & Sutcliffe LLP, bond counsel to the District, on behalf of the Board of Education, is hereby authorized and directed to cause notices of the proposed sale and final sale of the Refunding Bonds to be filed in a timely manner with the California Debt and Investment Advisory Commission pursuant to Section 8855(g) of the Government Code and to specify that the issuance of the Refunding Bonds will be made in compliance with the District's adopted debt policy.

Section 19. Electronic Signatures; DocuSign. The Board of Education hereby approves the execution and delivery of any and all agreements, documents, certificates and instruments referred to herein with electronic signatures under the California Uniform Electronic Transactions Act and digital signatures under Section 16.5 of the Government Code using DocuSign.

Section 20. Ratification of Actions. All actions heretofore taken by the officers and agents of the District with respect to the sale, execution and delivery of the Refunding Bonds, the acquisition of escrow securities, and the other transactions authorized and contemplated herein, are hereby approved, confirmed and ratified.

Section 21. Contract with Bondowners. The provisions of this Resolution shall be a contract with each and every owner of Refunding Bonds and the duties of the District and of the Board of Education and the officers of the District shall be enforceable by any bondowner by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction.

Section 22. Severability. If any one or more of the provisions contained in this Resolution or in the Refunding Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Resolution and such invalidity, illegality or unenforceability shall not affect any other provision of this Resolution or the Refunding Bonds, and this Resolution shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The District hereby declares that it would have adopted this Resolution and each and every other Section, subsection, paragraph, sentence, clause or phrase hereof and authorized the issuance of the Refunding Bonds pursuant thereto irrespective of the fact that any one or more Sections, subsections, paragraphs, sentences, clauses or phrases of this Resolution may be held illegal, invalid or unenforceable.

Section 23. Filing with Board of Supervisors. The Secretary of the Board of Education is hereby authorized and directed to file a certified copy of this Resolution upon the adoption hereof with the Clerk of the Board of Supervisors.

Section 24. Effective Date. This Resolution shall take effect from and after its adoption.

APPENDIX A

ESTIMATED COSTS OF ISSUANCE¹

OAKLAND UNIFIED SCHOOL DISTRICT
2023 GENERAL OBLIGATION REFUNDING BONDS,
SERIES 2023A AND SERIES 2023B (FEDERALLY TAXABLE)

Service	Provider	Cost (Estimate)*
Bond & Disclosure Counsel	Orrick, Herrington & Sutcliffe LLP	\$125,000.00
Municipal Advisor	Isom Advisors, a Division of Urban Futures, Inc.	30,000.00
Dealer Manager	Siebert Williams Shank & Co., LLC	693,100.00
Paying Agent and Escrow Agent	U.S. Bank Trust Company, National Association	16,000.00
Rating Agency(ies)	Moody's Investors Service Inc.	39,000.00
Printing POS/OS	AVIA Communications, Inc.	2,500.00
Verification Agent	Causey Demgen & Moore P.C.	10,000.00
Tender Agent and Information Agent	Globic Advisors	31,200.00
District Expenses	Oakland Unified School District	15,000.00
Contingency	n/a	50,900.00
Total:		\$1,012,700.00

¹ Preliminary, subject to change.

APPENDIX B
GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the Refunding Bonds in compliance with Section 5852.1 of the Government Code of the State of California. Such good faith estimates have been provided to the District by Isom Advisors, a Division of Urban Futures, Inc., as the municipal advisor to the District (the "Municipal Advisor").

Principal Amount. The Municipal Advisor has informed the District that, based on the District's financing plan and current market conditions, the good faith estimate of the aggregate principal amount of the Refunding Bonds to be sold is \$242,310,000.00 (the "Estimated Principal Amount").

True Interest Cost of the Refunding Bonds. The Municipal Advisor has informed the District that, assuming that the Estimated Principal Amount of the Refunding Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, the good faith estimate of the true interest cost of the Refunding Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Refunding Bonds, is 4.201%.

Finance Charge of the Refunding Bonds. The Municipal Advisor has informed the District that, assuming that the Estimated Principal Amount of the Refunding Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, the good faith estimate of the finance charge for the Refunding Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Refunding Bonds), is \$2,500,832.55.

Amount of Proceeds to be Received. The Municipal Advisor has informed the District that, assuming that the Estimated Principal Amount of the Refunding Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, the good faith estimate of the amount of proceeds expected to be received by the District for sale of the Refunding Bonds, less the finance charge of the Refunding Bonds, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the Refunding Bonds, is \$255,668,398.65.

Total Payment Amount. The Municipal Advisor has informed the District that, assuming that the Estimated Principal Amount of the Refunding Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, the good faith estimate of the total payment amount, which means the sum total of all payments the District will make to pay debt service on the Refunding Bonds, plus the finance charge for the Refunding Bonds, as described above, not paid with the proceeds of the Refunding Bonds, calculated to the final maturity of the Refunding Bonds, is \$363,057,887.50.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Refunding Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Refunding Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Refunding Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the Refunding Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Refunding Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the District's financing plan, or a combination of such factors. The actual interest rates borne by the Refunding Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Refunding Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the District.

SECRETARY'S CERTIFICATE

I, Kyla Johnson-Trammell, Secretary of the Board of Education of the Oakland Unified School District, County of Alameda, California, do hereby certify as follows:

The attached is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Education of said District duly and regularly held at the regular meeting place thereof on October 11, 2023, and entered in the minutes thereof, at which meeting all of the members of said Board of Education had due notice and at which a quorum was present, and said resolution was adopted by the following vote:

AYES: Benjamin "Sam" Davis, Jennifer Brouhard, VanCedric Williams, Valarie Bachelor, Vice President Clifford Thompson, President Mike Hutchinson

NOES: None

ABSTAIN: None

ABSENT: (Vacancy), Anevay Cruz (Student Director), Vida Mendoza (Student Director)

An agenda of said meeting was posted at least 72 hours before said meeting at 1011 Union Street, Oakland, California, a location freely accessible to members of the public, and posted on the District's website at least 72 hours before said meeting in accordance with all applicable laws, and a brief description of said resolution appeared on said agenda. A copy of said agenda is attached hereto.

I have carefully compared the same with the original minutes of said meeting on file and of record in my office. 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.

WITNESS my hand this 12th day of October, 2023.



Kyla Johnson-Trammell
Secretary of the Board of Education
Oakland Unified School District

Section 16. Electronic Signatures; DocuSign. The Board of Education hereby approves the execution and delivery of any and all agreements, documents, certificates and instruments referred to herein with electronic signatures under the California Uniform Electronic Transactions Act and digital signatures under Section 16.5 of the Government Code using DocuSign.

Section 17. Ratification of Actions. All actions heretofore taken by the officers and agents of the District with respect to the sale, execution and delivery of the Refunding Bonds, the acquisition of escrow securities, and the other transactions authorized and contemplated herein, are hereby approved, confirmed and ratified.

Section 18. Filing with Board of Supervisors. The Secretary of the Board of Education is hereby authorized and directed to file a certified copy of this Resolution upon the adoption hereof with the Clerk of the Board of Supervisors.

Section 18. Effective Date. This Resolution shall take effect from and after its adoption.

CERTIFICATION

We hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Education of said District duly and regularly held at the regular meeting place thereof on October 11, 2023, and entered in the minutes thereof, at which meeting all of the members of said Board of Education had due notice and at which a quorum was present, and said resolution was adopted by the following vote:

AYES: Benjamin "Sam" Davis, Jennifer Brouhard, VanCedric Williams, Valarie Bachelor, Vice President Clifford Thompson, President Mike Hutchinson

NOES: None

ABSTAINED: None

RECUSED: None

ABSENT: (Vacancy), Anevay Cruz (Student Director), Vida Mendoza (Student Director)

An agenda of said meeting was posted at least 72 hours before said meeting at 1000 Broadway, Suite 300, Oakland, California, a location freely accessible to members of the public, and was posted on the District's website at least 72 hours before said meeting in accordance with Executive Order N-29-20, signed by the Governor of the State of California on October 11, 2023, and a brief description of said resolution appeared on said agenda. A copy of said agenda is attached hereto.

We have carefully compared the same with the original minutes of said meeting on file and of record in my office. 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.

OAKLAND UNIFIED SCHOOL DISTRICT



Mike Hutchinson
President, Board of Education



Kyla Johnson-Trammell
Superintendent and Secretary, Board of Education

BOND DEBT SERVICE

Oakland Unified School District Measure Y - Series 2021

<i>Period Ending</i>	<i>Principal</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Annual Debt Service</i>
02/01/2022		2,076,111.11	2,076,111.11	
08/01/2022	7,000,000	3,700,000.00	10,700,000.00	12,776,111.11
02/01/2023		3,560,000.00	3,560,000.00	
08/01/2023	7,500,000	3,560,000.00	11,060,000.00	14,620,000.00
02/01/2024		3,410,000.00	3,410,000.00	
08/01/2024		3,410,000.00	3,410,000.00	6,820,000.00
02/01/2025		3,410,000.00	3,410,000.00	
08/01/2025		3,410,000.00	3,410,000.00	6,820,000.00
02/01/2026		3,410,000.00	3,410,000.00	
08/01/2026		3,410,000.00	3,410,000.00	6,820,000.00
02/01/2027		3,410,000.00	3,410,000.00	
08/01/2027		3,410,000.00	3,410,000.00	6,820,000.00
02/01/2028		3,410,000.00	3,410,000.00	
08/01/2028		3,410,000.00	3,410,000.00	6,820,000.00
02/01/2029		3,410,000.00	3,410,000.00	
08/01/2029	1,000,000	3,410,000.00	4,410,000.00	7,820,000.00
02/01/2030		3,390,000.00	3,390,000.00	
08/01/2030	2,000,000	3,390,000.00	5,390,000.00	8,780,000.00
02/01/2031		3,350,000.00	3,350,000.00	
08/01/2031	2,000,000	3,350,000.00	5,350,000.00	8,700,000.00
02/01/2032		3,310,000.00	3,310,000.00	
08/01/2032	2,500,000	3,310,000.00	5,810,000.00	9,120,000.00
02/01/2033		3,260,000.00	3,260,000.00	
08/01/2033	3,250,000	3,260,000.00	6,510,000.00	9,770,000.00
02/01/2034		3,195,000.00	3,195,000.00	
08/01/2034	4,250,000	3,195,000.00	7,445,000.00	10,640,000.00
02/01/2035		3,110,000.00	3,110,000.00	
08/01/2035	6,500,000	3,110,000.00	9,610,000.00	12,720,000.00
02/01/2036		2,980,000.00	2,980,000.00	
08/01/2036	8,000,000	2,980,000.00	10,980,000.00	13,960,000.00
02/01/2037		2,820,000.00	2,820,000.00	
08/01/2037	9,000,000	2,820,000.00	11,820,000.00	14,640,000.00
02/01/2038		2,640,000.00	2,640,000.00	
08/01/2038	10,000,000	2,640,000.00	12,640,000.00	15,280,000.00
02/01/2039		2,440,000.00	2,440,000.00	
08/01/2039	12,000,000	2,440,000.00	14,440,000.00	16,880,000.00
02/01/2040		2,200,000.00	2,200,000.00	
08/01/2040	13,000,000	2,200,000.00	15,200,000.00	17,400,000.00
02/01/2041		1,940,000.00	1,940,000.00	
08/01/2041	13,500,000	1,940,000.00	15,440,000.00	17,380,000.00
02/01/2042		1,670,000.00	1,670,000.00	
08/01/2042	15,000,000	1,670,000.00	16,670,000.00	18,340,000.00
02/01/2043		1,370,000.00	1,370,000.00	
08/01/2043	16,000,000	1,370,000.00	17,370,000.00	18,740,000.00
02/01/2044		1,050,000.00	1,050,000.00	
08/01/2044	16,500,000	1,050,000.00	17,550,000.00	18,600,000.00
02/01/2045		720,000.00	720,000.00	
08/01/2045	17,500,000	720,000.00	18,220,000.00	18,940,000.00
02/01/2046		370,000.00	370,000.00	
08/01/2046	18,500,000	370,000.00	18,870,000.00	19,240,000.00
	185,000,000	133,446,111.11	318,446,111.11	318,446,111.11

BOND DEBT SERVICE

Oakland Unified School District Measure Y - Series 2021

<i>Period Ending</i>	<i>Principal</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Annual Debt Service</i>
02/01/2022		2,076,111.11	2,076,111.11	
08/01/2022	7,000,000	3,700,000.00	10,700,000.00	12,776,111.11
02/01/2023		3,560,000.00	3,560,000.00	
08/01/2023	7,500,000	3,560,000.00	11,060,000.00	14,620,000.00
02/01/2024		3,410,000.00	3,410,000.00	
08/01/2024		3,410,000.00	3,410,000.00	6,820,000.00
02/01/2025		3,410,000.00	3,410,000.00	
08/01/2025		3,410,000.00	3,410,000.00	6,820,000.00
02/01/2026		3,410,000.00	3,410,000.00	
08/01/2026		3,410,000.00	3,410,000.00	6,820,000.00
02/01/2027		3,410,000.00	3,410,000.00	
08/01/2027		3,410,000.00	3,410,000.00	6,820,000.00
02/01/2028		3,410,000.00	3,410,000.00	
08/01/2028		3,410,000.00	3,410,000.00	6,820,000.00
02/01/2029		3,410,000.00	3,410,000.00	
08/01/2029	1,000,000	3,410,000.00	4,410,000.00	7,820,000.00
02/01/2030		3,390,000.00	3,390,000.00	
08/01/2030	2,000,000	3,390,000.00	5,390,000.00	8,780,000.00
02/01/2031		3,350,000.00	3,350,000.00	
08/01/2031	2,000,000	3,350,000.00	5,350,000.00	8,700,000.00
02/01/2032		3,310,000.00	3,310,000.00	
08/01/2032	2,500,000	3,310,000.00	5,810,000.00	9,120,000.00
02/01/2033		3,260,000.00	3,260,000.00	
08/01/2033	3,250,000	3,260,000.00	6,510,000.00	9,770,000.00
02/01/2034		3,195,000.00	3,195,000.00	
08/01/2034	4,250,000	3,195,000.00	7,445,000.00	10,640,000.00
02/01/2035		3,110,000.00	3,110,000.00	
08/01/2035	6,500,000	3,110,000.00	9,610,000.00	12,720,000.00
02/01/2036		2,980,000.00	2,980,000.00	
08/01/2036	8,000,000	2,980,000.00	10,980,000.00	13,960,000.00
02/01/2037		2,820,000.00	2,820,000.00	
08/01/2037	9,000,000	2,820,000.00	11,820,000.00	14,640,000.00
02/01/2038		2,640,000.00	2,640,000.00	
08/01/2038	10,000,000	2,640,000.00	12,640,000.00	15,280,000.00
02/01/2039		2,440,000.00	2,440,000.00	
08/01/2039	12,000,000	2,440,000.00	14,440,000.00	16,880,000.00
02/01/2040		2,200,000.00	2,200,000.00	
08/01/2040	13,000,000	2,200,000.00	15,200,000.00	17,400,000.00
02/01/2041		1,940,000.00	1,940,000.00	
08/01/2041	13,500,000	1,940,000.00	15,440,000.00	17,380,000.00
02/01/2042		1,670,000.00	1,670,000.00	
08/01/2042	15,000,000	1,670,000.00	16,670,000.00	18,340,000.00
02/01/2043		1,370,000.00	1,370,000.00	
08/01/2043	16,000,000	1,370,000.00	17,370,000.00	18,740,000.00
02/01/2044		1,050,000.00	1,050,000.00	
08/01/2044	16,500,000	1,050,000.00	17,550,000.00	18,600,000.00
02/01/2045		720,000.00	720,000.00	
08/01/2045	17,500,000	720,000.00	18,220,000.00	18,940,000.00
02/01/2046		370,000.00	370,000.00	
08/01/2046	18,500,000	370,000.00	18,870,000.00	19,240,000.00
	185,000,000	133,446,111.11	318,446,111.11	318,446,111.11

Board Office Use: Legislative File Info.	
File ID Number	23-2036
Introduction Date	9/13/2023
Enactment Number	23-1508
Enactment Date	9/13/2023 CJH



OAKLAND UNIFIED
SCHOOL DISTRICT

Community Schools, Thriving Students

Board Cover Memorandum

To Board of Education

From Kyla Johnson-Trammell, Superintendent
Lisa Grant-Dawson, Chief Business Officer

Preston Thomas, Chief Systems & Services Officer

Meeting Date September 13, 2023

Subject Approval by the Board of Education of Resolution 2324-0134 – Authorizing the Issuance and Sale of General Obligation Bonds of the Oakland Unified School District in an Aggregate Principal amount not to exceed \$185,000,000; Prescribing The Terms Of Said Bonds; Approving The Forms Of And Authorizing The Execution And Delivery Of A Paying Agent Agreement, A Bond Purchase Agreement, And A Continuing Disclosure Certificate; Authorizing The Preparation And Execution And Delivery Of An Official Statement For Said Bonds; And Authorizing The Execution Of Necessary Documents And Certificates Relating To Said Bonds.

Ask of the Board Approval of Resolution 2324-0134 authorizing the issuance and sale of general obligation bonds of the Oakland Unified School District in an aggregate principal amount not to exceed \$185,000,000; prescribing the terms of said bonds; approving the forms of and authorizing the execution and delivery of a paying agent agreement, a bond purchase agreement, an official statement, and a continuing disclosure certificate; and authorizing the execution of necessary documents and certificates relating to said bonds.

Background On November 3, 2020, Oakland Unified School District voters approved Measure Y authorizing the District to issue up to \$735 million in general obligation bonds with 77.65% support. The District plans to issue the second series of bonds from Measure Y this fall as aligned with the District’s revised Measure Y Bond Spending Plan, which was approved on June 7, 2023, Board Agenda Item 23-0668, Resolution Number 2223-0211. The expected par amount for the Series 2023 bonds is \$185 million.

Resolution 2324-0134 authorizes the issuance of the second series of bonds (Series 2023A and 2023B) under Measure Y. The resolution also lays out a number of parameters for the Series 2021 Bonds including:

- Not-to-exceed par amount of \$185 million.
- Traditional current interest bond structure (no capital appreciation bonds).
- Maximum true interest cost not to exceed 8.0%.
- Negotiated pricing process with maximum underwriter’s discount not to exceed .24% of the aggregate principal amount of bonds sold.

The resolution also includes a few attachments in **DRAFT** form:

- Continuing Disclosure Certificate (included in appendix of POS) – District covenants to file annual reports and material events notices to keep investor community up-to-date regarding District finances and tax base.
- Bond Purchase Agreement – Agreement that gets executed at pricing between the District and underwriters establishing the terms of the bond sale.
- Paying Agent Agreement – A paying agent distributes the required payments to bondholders. This agreement engages US Bank and specifies their responsibilities.

A form of the Preliminary Official Statement will be approved by the District board at a later board meeting.

Recommendation

Approval by the Board of Education of Resolution 2324-0134 – Authorizing the Issuance and Sale of General Obligation Bonds of the Oakland Unified School District in an Aggregate Principal amount not to exceed \$185,000,000; Prescribing The Terms Of Said Bonds; Approving The Forms Of And Authorizing The Execution And Delivery Of A Paying Agent Agreement, A Bond Purchase Agreement, And A Continuing Disclosure Certificate; Authorizing The Preparation And Execution And Delivery Of An Official Statement For Said Bonds; And Authorizing The Execution Of Necessary Documents And Certificates Relating To Said Bonds.

Attachment(s)

- District Resolution 2324-0134 – Oakland USD GO Bonds Election 2020, 2020 Series 2023A and 2023B (Federally Taxable)
- Draft Bond Purchase Agreement – Oakland USD GO Bonds Election of 2020 Series 2023A and 2023B (Federally Taxable)
- Draft Paying Agent Agreement – Oakland USD GO Bonds 2023A & 2023B (Federally Taxable)
- Draft Continuing Disclosure Certificate
- OUSD Board Bond Overview August 2023

**BOARD OF EDUCATION OF THE
OAKLAND UNIFIED SCHOOL DISTRICT
COUNTY OF ALAMEDA, STATE OF CALIFORNIA**

RESOLUTION NO. 2324-0134

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS OF THE OAKLAND UNIFIED SCHOOL DISTRICT IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$185,000,000; PRESCRIBING THE TERMS OF SAID BONDS; APPROVING THE FORMS OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A PAYING AGENT AGREEMENT, A BOND PURCHASE AGREEMENT, AND A CONTINUING DISCLOSURE CERTIFICATE; AUTHORIZING THE PREPARATION AND EXECUTION AND DELIVERY OF AN OFFICIAL STATEMENT FOR SAID BONDS; AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES RELATING TO SAID BONDS

WHEREAS, an election was duly called and regularly held in the Oakland Unified School District (the “District”), County of Alameda (the “County”), State of California (the “State”), on November 3, 2020 (the “Election of 2020”), pursuant to Section 15100 et seq. of the Education Code of the State (the “Education Code”), at which the following bond measure (“Measure Y”) was submitted to the electors of the District:

“Shall Oakland Unified School District’s measure to issue \$735 million in bonds for classroom repair and school safety improvements including upgrading classrooms, science labs and technology; improving student safety and security; repairing bathrooms, electrical systems, and plumbing/sewers; and improving energy efficiency/earthquake safety; at legal rates, levying about \$60 per \$100,000 of assessed value, raising an average of \$48.5 million annually for approximately 30 years, with citizens’ oversight, audits, and no money for administrator salaries be adopted?”; and

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

WHEREAS, the District has heretofore issued, or caused the County to issue on the District’s behalf, the “Oakland Unified School District General Obligation Bonds (Election of 2020), Series 2021A” in the aggregate principal amount of \$150,240,000 (the “Series 2021A Bonds”) and the “Oakland Unified School District General Obligation Bonds (Election of 2020), Series 2021B (Federally Taxable)” (the “Series 2021B Bonds”), in the aggregate principal amount of \$34,760,000, for authorized school purposes; and

WHEREAS, the Board of Education (the “Board of Education”) authorizes and deems it necessary and desirable that the Board of Supervisors of the County (the “Board of Supervisors”) shall consummate the sale of a portion of the bonds, designated the “Oakland Unified School District General Obligation Bonds (Election of 2020), Series 2023A” (the “Tax-

Exempt Bonds”) and the “Oakland Unified School District General Obligation Bonds (Election of 2020), Series 2023B (Federally Taxable)” (the “Taxable Bonds” and, together with the Tax-Exempt Bonds, the “Bonds”), with such additional or other series or subseries designations as may be approved as herein provided, in an aggregate principal amount not exceeding \$185,000,000, for purposes of financing projects authorized to be financed under Measure Y; and

WHEREAS, in accordance with Section 15146 of the Education Code, estimates of the costs associated with the issuance of said Bonds are attached hereto as Appendix A; and

WHEREAS, in accordance with Section 15146 of the Education Code, the Board of Education has determined that conditions in the municipal marketplace require the increased flexibility an underwriter can provide in structuring and planning the sale of the Bonds; and

WHEREAS, the District has received a qualified certification in its most recent interim report and thereby requests the County to sell the Bonds on its behalf as required by Section 15140 of the Education Code; and

WHEREAS, the District shall not sell bonds authorized by the Election of 2020 unless the tax rate levied to pay such bonds will not exceed \$60 per \$100,000 of taxable property when assessed valuation is projected by the District to increase in accordance with Article XIII A of the State Constitution; and

WHEREAS, the Board of Education recognizes that Senate Bill 222 (Chapter 78, Statutes of 2015), which provides for a statutory lien to secure repayment of general obligation bonds, was passed by the legislature and approved by the Governor of the State (the “Governor”) and became effective January 1, 2016; and

WHEREAS, the pledge included in this Resolution to secure payment of the Bonds is intended to be a consensual agreement with bondholders; and

WHEREAS, Senate Bill 1029 (“SB1029”) was signed by the Governor on September 12, 2016 and places additional responsibilities on any issuer of public debt, including adopting debt management policies that meet certain criteria; and

WHEREAS, the District represents that it is in compliance with SB1029 pre-issuance requirements, the Bonds will be issued in compliance with the debt policy of the District and the District will comply with all post-issuance requirements of SB1029; and

WHEREAS, Section 5852.1 of the Government Code of the State (the “Government Code”) requires that the Board of Education obtain from an underwriter, municipal advisor or private lender and disclose, prior to authorization of the issuance of bonds with a term of greater than 13 months, good faith estimates of the following information in a meeting open to the public: (a) the true interest cost of the bonds, (b) the sum of all fees and charges paid to third parties with respect to the bonds, (c) the amount of proceeds of the bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the bonds, and (d) the sum total of all debt service payments on the

bonds calculated to the final maturity of the bonds plus the fees and charges paid to third parties not paid with the proceeds of the bonds; and

WHEREAS, in compliance with said Section, the Board of Education has obtained from Isom Advisors, a Division of Urban Futures, Inc., as municipal advisor to the District (the “Municipal Advisor”), the required good faith estimates for the Bonds and such estimates are disclosed and set forth in Appendix B attached hereto; and

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

WHEREAS, the Board of Education further deems it necessary and desirable to authorize the sale of the Bonds by a negotiated sale to Siebert Williams Shank & Co., LLC and Stifel, Nicolaus & Company, Incorporated (collectively, the “Underwriters”), pursuant to one or more Bond Purchase Agreements (each, a “Bond Purchase Agreement”), and pursuant to Section 15146 of the Education Code, has found and determined the following reasons therefor: (1) provide more flexibility in the timing of the sale of the Bonds; (2) provide more flexibility in the debt structure; (3) allow the District to work with participants familiar with the District; and (4) increase the opportunity to pre-market said Bonds for sale to local residents and other investors; and

WHEREAS, the Board of Education has appointed Isom Advisors, a Division of Urban Futures, Inc., as Municipal Advisor to the District and Orrick, Herrington & Sutcliffe LLP as bond and disclosure counsel to the District (“Bond Counsel” and “Disclosure Counsel”); and

WHEREAS, U.S. Bank Trust Company, National Association, San Francisco, California, serves as the paying agent for the District’s bonds under appointment by the Treasurer-Tax Collector of the County (the “County Treasurer”); and

WHEREAS, the District desires that the Auditor-Controller of the County annually establish tax rates on taxable property within the District for repayment of the Bonds, pursuant to Sections 29100-29103 of the Government Code, and that the Board of Supervisors annually approve the levy of such tax, and that the County Treasurer annually collect such tax and apply the proceeds thereof to the payment of principal of and interest on the Bonds when due, all pursuant to Sections 15250 and 15251 of the Education Code; and

WHEREAS, there have been submitted and are on file with the Secretary of the Board of Education proposed forms of a Bond Purchase Agreement, a Paying Agent Agreement providing for the terms of issuance and repayment of the Bonds, and a Continuing Disclosure Certificate setting forth certain ongoing disclosure obligations of the District; and

WHEREAS, the Board of Education authorizes a form of the Official Statement relating to the Bonds to be presented to the Board for approval at a subsequent meeting relating to the issuance of the Bonds;

NOW, THEREFORE, THE BOARD OF EDUCATION OF THE OAKLAND UNIFIED SCHOOL DISTRICT DOES HEREBY FIND, RESOLVE, DETERMINE AND ORDER, AS FOLLOWS:

Section 1. Recitals. All of the above recitals are true and correct.

Section 2. Authority for Issuance; Designation of Bonds. The Bonds (as defined herein) are authorized to be issued pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code, and other applicable provisions of law, including applicable provisions of the Education Code. The Bonds shall be sold in two or more series, to be designated the “Oakland Unified School District General Obligation Bonds (Election of 2020), Series 2023A” and the “Oakland Unified School District General Obligation Bonds (Election of 2020), Series 2023B (Federally Taxable),” with such additional or other series or subseries designations as may be approved as herein provided. The Bonds may be issued as provided in Section 3 hereof.

The District hereby authorizes the issuance of, and the Board of Supervisors is hereby requested, pursuant to Section 15140 et seq. of the Education Code, to sell by negotiated sale to the Underwriters, the Bonds, in conformity with the provisions of this Section 2.

The Board of Supervisors is hereby requested to provide by resolution (the “County Resolution”) for the terms of the sale of the Bonds in accordance with the particular terms and manner set forth herein and, with respect to such necessary or desirable terms as are not specified herein, as the Board of Supervisors shall otherwise see fit to determine. With respect to such necessary or desirable terms as are not finally determined by the County Resolution, the Board of Supervisors is hereby requested to provide for such terms to be finally determined and set forth in the Bond Purchase Agreement or in the Paying Agent Agreement, hereinafter approved.

Section 3. Terms of Bonds. The Bonds shall be issued in a principal amount not to exceed \$185,000,000 in the form of current interest bonds.

(a) Date of Bonds. The Bonds shall be dated as of the date of their delivery, or such other date as shall be set forth in the Bond Purchase Agreement or the Paying Agent Agreement.

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

(c) Maturity. (i) The Bonds shall mature on the date, in each of the years, in the principal amounts and in the aggregate principal amount as shall be set forth in the Paying Agent Agreement. No Bond shall mature prior to December 1, 2023, and no Bond shall mature later than the date which is 30 years from the initial date the Bonds were delivered. No Bond shall have principal maturing on more than one principal maturity date. Any Bond may mature in the same year as any other Bond.

(d) Interest Payment. (i) The Bonds shall bear interest at an interest rate in accordance with the limitations set forth in Section 5 hereof, computed on the basis of a 360-day year of twelve (12) 30-day months, first payable on February 1, 2024, and semiannually thereafter on February 1 and August 1 in each year (or on such other initial and semiannual interest payment dates as shall be set forth in the Bond Purchase Agreement).

(e) Obligation. The Board of Supervisors and officers of the County are obligated by statute to provide for the levy and collection of property taxes in each year sufficient to pay all principal and interest coming due on the Bonds in such year, and to pay from such taxes all amounts due on the Bonds. The District hereby requests the Board of Supervisors to annually levy a tax upon all taxable property in the District sufficient to redeem the Bonds, and to pay the principal, redemption premium, if any, and interest thereon as and when the same become due.

Section 4. Redemption and Defeasance Provisions. The Bonds may be subject to redemption prior to their respective stated maturity dates at the option of the District as set forth in the Bond Purchase Agreement, the Paying Agent Agreement and in the Bonds. The Bonds may also be subject to mandatory sinking fund redemption, as specified in the Bond Purchase Agreement, Paying Agent Agreement and in the Bonds. The Bonds shall also be subject to defeasance in the manner provided in the Paying Agent Agreement.

Section 5. Bond Purchase Agreement; Sale of Bonds. The form of instrument entitled “Bond Purchase Agreement,” in substantially the form on file with the Secretary of the Board of Education, is hereby approved. The Superintendent, the Chief Business Officer, the Interim General Counsel, the Acting Chief of Staff, the Chief Systems & Services Officer or the Controller of the District, or such other officer of the District designated by the Superintendent, the Chief Business Officer, the Interim General Counsel, the Acting Chief of Staff, the Chief Systems & Services Officer or the Controller of the District (each, an “Authorized District Representative”) is hereby authorized and directed on behalf of the District to execute and approve one or more instruments in substantially said form providing for the sale by the Board of Supervisors, on behalf of the District, and the purchase by the Underwriters of the Bonds at a purchase price to be set forth therein; provided, that (i) said purchase price shall not be less than 100% of the principal amount of the Bonds (taking into account the purchase price and principal amount of any Bonds sold on the same date pursuant to any other Bond Purchase Agreement); (ii) the true interest cost for the Bonds shall not be in excess of 8.0% per annum (taking into account the true interest cost of any Bonds sold on the same date pursuant to any other Bond Purchase Agreement); (iii) the maximum interest rate on the Bonds shall not be in excess of the maximum prescribed by the Education Code (8.0%); (iv) the Underwriters’ discount shall not exceed 0.24% of the aggregate principal amount of the Bonds sold thereunder (excluding any costs of issuance the Underwriters agree to pay pursuant to the respective Bond Purchase Agreement); and (v) the Bonds shall otherwise conform to the limitations specified herein; and provided further, that such execution and approval shall constitute conclusive evidence of the approval by the Board of Education and the District of any changes or revisions therein from the form of Bond Purchase Agreement submitted herewith. The Authorized District Representative is hereby authorized and directed to execute and deliver one or more Bond Purchase Agreements relative to one or more series of Bonds, as necessary; provided that, any such Bond Purchase Agreement so executed and delivered shall conform to the limitations provided in this Section 5.

The County is hereby requested to cause one or more Bond Purchase Agreements to be executed and approved on behalf of the County, subject to such changes or revisions therein as may be acceptable to the Authorized District Representative executing the same.

Section 6. Investment of Funds. The proceeds of sale of the Bonds, exclusive of any premium and accrued interest received, shall be deposited in the County treasury to the credit of the building fund of the District. Any premium and accrued interest received by the District shall be deposited upon receipt in the interest and sinking fund of the District within the County treasury.

All funds held by the County Treasurer hereunder shall be invested by the County Treasurer in the County Investment Pool; provided that, in the sole discretion of the District, funds deposited in the building fund of the District may be invested in the Local Agency Investment Fund administered by the State Treasurer, any investment authorized pursuant to Sections 53601 and 53635 of the Government Code, or in the sole discretion of the District, in investment agreements, including guaranteed investment contracts, float contracts or other investment products (hereinafter collectively referred to as "Investment Agreements"); provided that such agreements comply with the requirements of Section 148 of the Internal Revenue Code of 1986 (the "Code"), and with the requirements of each rating agency then rating the Bonds necessary in order to maintain the then-current rating on the Bonds, if any. The County Treasurer shall assume no responsibility in the reporting, reconciling or monitoring of the investment of proceeds related to the Bonds.

To the extent permitted by law, the Authorized District Representative may request the County Treasurer, subject to their fiduciary responsibilities, to invest funds held in the interest and sinking fund of the District and in the building fund of the District in specific investments, so as to effectively coordinate the investments to the construction program of the District and the debt service payments on the Bonds. Pursuant to Section 5922 of the Government Code, the Board of Education hereby finds and determines that the Investment Agreements will reduce the amount and duration of interest rate risk with respect to amounts invested pursuant to the Investment Agreements and are designed to reduce the amount or duration of payment, rate, spread or similar risk or result in a lower cost of borrowing when used in combination with the Bonds or enhance the relationship between risk and return with respect to investments of proceeds of the Bonds and funds held to pay the Bonds.

Section 7. Tax Covenants.

(a) The Bonds. The Bonds shall be issued as Taxable Bonds and Tax-Exempt Bonds under Section 103 of the Code.

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

(c) Yield Restriction. In the event that at any time the District is of the opinion that for purposes of this Section it is necessary or helpful to restrict or limit the yield on

the investment of any moneys held by the County Treasurer on behalf of the District, in accordance with this Resolution or pursuant to law, the District shall so request of the County Treasurer in writing, and the District shall make its best efforts to ensure that the County Treasurer shall take such action as may be necessary in accordance with such instructions.

(d) Reliance on Opinion of Bond Counsel. Notwithstanding any provision of this Section, if the District shall provide to the County Treasurer an opinion of counsel of nationally recognized standing in the field of law relating to municipal bonds (an “Opinion of Bond Counsel”) that any specified action required under this Section is no longer required or that some further or different action is required to maintain the exclusion from federal income tax of interest on the Tax-Exempt Bonds, the County Treasurer may conclusively rely on such Opinion of Bond Counsel in complying with the requirements of this Section and of the Tax Certificate, and the covenants hereunder shall be deemed to be modified to that extent.

Section 8. Continuing Disclosure. The form of instrument entitled “Continuing Disclosure Certificate,” in substantially the form on file with the Secretary of the Board of Education, is hereby approved and authorized. The Authorized District Representative is hereby authorized and directed on behalf of the District to execute and deliver one or more instruments in substantially said form, with such changes thereto as deemed necessary in order to permit the Underwriters to comply with the requirements of Securities and Exchange Commission Rule 15c2-12 (the “Rule”). The District hereby covenants and agrees that it will comply with and carry out all of the provisions of such Continuing Disclosure Certificate.

Section 9. Official Statement. The form of Official Statement relating to the Bonds, will be submitted to this Board of Education at a subsequent meeting and, following the approval thereof, may be executed by the Authorized District Representative with such changes, additions and corrections as the Authorized District Representative may hereafter approve, and the Underwriters are hereby authorized to distribute copies of such Official Statement in preliminary form to persons who may be interested in purchasing the Bonds. The Authorized District Representative is hereby authorized to certify on behalf of the District that the preliminary form of the Official Statement was deemed final as of its date, within the meaning of the Rule (except for the omission of certain final pricing, rating and related information as permitted by the Rule). The Authorized District Representative is hereby authorized and directed to sign said Official Statement in its final form, including the final pricing information, and the Underwriters are hereby authorized and directed to deliver copies of such Official Statement in final form to subsequent purchasers of the Bonds.

Section 10. Paying Agent Agreement. The form of instrument entitled “Paying Agent Agreement,” by and between the District and U.S. Bank Trust Company, National Association, as Paying Agent, in substantially the form on file with the Secretary of the Board of Education is hereby approved and authorized. The Authorized District Representative is authorized and directed to execute and deliver one or more instruments in substantially said form with such changes thereto as may be acceptable to the Authorized District Representative, in accordance with this Resolution, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 11. Bond Insurance. The Authorized District Representative is hereby authorized to solicit proposals from municipal bond insurers, and, if such officer determines it is in the best interest of the District, to arrange for the issuance of a policy of municipal bond insurance for one or more maturities of the Bonds and to execute and deliver an insurance commitment and all other documents necessary in connection therewith.

Section 12. Pledge of and Lien on Tax Revenues. The District hereby pledges, and grants a lien on and security interest in, all revenues from the property taxes collected from the levy by the Board of Supervisors of the County with respect to each voter-approved bond measure of the District for the payment of District Bonds issued under such bond measure and all amounts on deposit in any interest and sinking fund of the District related to such bond measure with respect to the District Bonds of such bond measure, in order to secure the payment of the principal or redemption price of and interest on such District Bonds. This pledge and grant shall be valid and binding from the date hereof for the benefit of the owners of the District Bonds and successors thereto. The property taxes and amounts held in any interest and sinking fund of the District shall be immediately subject to this pledge and grant, and the pledge and grant shall constitute a lien and security interest which shall immediately attach to (i) the property taxes heretofore and hereafter collected and (ii) the amounts held in any interest and sinking fund of the District. This pledge and grant shall secure the payment of District Bonds and shall be effective, binding, and enforceable against the District, its successors, creditors and all others irrespective of whether those parties have notice of the pledge or grant and without the need of any physical delivery, recordation, filing, or further act. The pledge and grant is an agreement between the District and the owners of District Bonds to provide security for the District Bonds in addition to any statutory lien that may exist, and the District Bonds secured by the pledge and grant are or were issued to finance one or more of the projects specified in the applicable voter-approved measure.

“District Bonds” means all bonds, including refunding bonds, of the District heretofore or hereafter issued pursuant to voter-approved measures of the District, including bonds approved by the voters of the District pursuant to Measure C (approved by the voters at an election duly called and regularly held in the District on November 8, 1994, authorizing the issuance of \$169,730,000 in bonds), Measure A (approved by the voters at an election duly called and regularly held in the District on March 7, 2000, authorizing the issuance of \$303,000,000 in bonds), Measure B (approved by the voters at an election duly called and regularly held in the District on June 6, 2006, authorizing the issuance of \$435,000,000 in bonds), Measure J (approved by the voters at an election duly called and regularly held in the District on November 6, 2012, authorizing the issuance of \$475,000,000 in bonds), and Measure Y.

Section 13. Confirmed Appointment of Bond Counsel, Municipal Advisor and Underwriters. The firm of Orrick, Herrington & Sutcliffe LLP is hereby confirmed as Bond Counsel and Disclosure Counsel to the District in connection with the Bonds. The firm of Isom Advisors, a Division of Urban Futures Inc., is hereby confirmed Municipal Advisor to the District in connection with the Bonds. The firms of Siebert Williams Shank & Co., LLC and Stifel, Nicolaus & Company, Incorporated, are hereby confirmed Underwriters to the District in connection with the Bonds.

Section 14. Approval of Actions. The President, Clerk and Secretary of the Board of Education, and the Superintendent, the Chief Business Officer, the Interim General Counsel, the Acting Chief of Staff, the Chief Systems & Services Officer or the Controller of the District, and any other officer of the District to whom authority is delegated by one of the named officers for the purposes of the Bonds, are hereby authorized and directed to execute and deliver any and all agreements, certificates, letters, and representations, including paying agent agreements, depository agreements, investment agreements for proceeds of the Bonds, cost of issuance custodian agreements, fiscal agent agreements, bond insurance policies, signature certificates, no-litigation certificates, certificates concerning the contents of one or more official statements relating to the Bonds, representation letters to The Depository Trust Company, the Tax Certificate and any other certificates or agreements proposed to be executed and delivered in connection with the sale of the Bonds, investment of the proceeds or compliance with the Code, as applicable, and to enter into any agreements, which any of them deem necessary or desirable to accomplish the transactions authorized herein.

Section 15. Non-Liability of County; Indemnification. Notwithstanding anything stated to the contrary in this Resolution, the Bonds are not a debt of the County, including its Board of Supervisors, officers, officials, agents and employees, and the County, including its Board of Supervisors, officers, officials, agents and employees, has no obligation to repay the Bonds. Neither the County, nor its Board of Supervisors, nor any officer, official, agent or employee of the County, shall have any obligation or liability hereunder or in connection with the transactions contemplated hereby other than as specified in the Education Code. The Bonds, including the interest thereon, are payable solely from taxes levied under Section 15250 of the Education Code. The County has no responsibility and assumes no liability whatsoever arising from the expenditure of the proceeds of the Bonds by the District.

The County (including its officers, agents and employees) shall undertake only those duties of the County under this Resolution which are specifically set forth in this Resolution, and even during the continuance of an event of default with respect to the Bonds, no implied covenants or obligations shall be read into this Resolution against the County (including its officers, agents and employees).

The District further agrees to indemnify, defend and save the County (including its officers, agents and employees) harmless against any and all liabilities, costs, expenses, damages and claims which it may incur in the exercise and performance of its powers and duties hereunder which are not due to its negligence or bad faith.

Section 16. Notice to California Debt and Investment Advisory Commission. Orrick, Herrington & Sutcliffe LLP, bond counsel to the District, on behalf of the Board of Education, is hereby authorized and directed to cause notices of the proposed sale and final sale of the Bonds to be filed in a timely manner with the California Debt and Investment Advisory Commission pursuant to Section 8855(g) of the Government Code and to specify that the issuance of the Bonds will be made in compliance with the District's adopted debt policy.

Section 17. Electronic Signatures; DocuSign. The Board of Education hereby approves the execution and delivery of any and all agreements, documents, certificates and instruments referred to herein with electronic signatures under the California Uniform Electronic

Transactions Act and digital signatures under Section 16.5 of the Government Code using DocuSign.

Section 18. Ratification of Actions. All actions heretofore taken by the officers and agents of the District with respect to the sale, execution and delivery of the Bonds, the acquisition of escrow securities, and the other transactions authorized and contemplated herein, are hereby approved, confirmed and ratified.

Section 19. Filing with Board of Supervisors. The Secretary of the Board of Education is hereby authorized and directed to file a certified copy of this Resolution upon the adoption hereof with the Clerk of the Board of Supervisors.

Section 20. Contract with Bondowners. The provisions of this Resolution shall be a contract with each and every owner of Bonds and the duties of the District and of the Board of Education and the officers of the District shall be enforceable by any bondowner by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction.

Section 21. Severability. If any one or more of the provisions contained in this Resolution or in the Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Resolution and such invalidity, illegality or unenforceability shall not affect any other provision of this Resolution or the Bonds, and this Resolution shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The District hereby declares that it would have adopted this Resolution and each and every other Section, subsection, paragraph, sentence, clause or phrase hereof and authorized the issuance of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, subsections, paragraphs, sentences, clauses or phrases of this Resolution may be held illegal, invalid or unenforceable.

Section 22. Effective Date. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this day, September 13, 2023, by the following vote:

AYES: Benjamin "Sam" Davis, Jennifer Brouhard, VanCedric Williams, Valarie Bachelor, Vice President Clifford Thompson, President Mike Hutchinson

NOES: None

ABSTAIN: None

ABSENT: Student Director Anevay Cruz, Student Director Vida Mendoza, District 5 - Vacancy

APPROVED:



9/14/2023

President of the Board of Education
Oakland Unified School District

Attest:



9/14/2023

Secretary of the Board of Education
Oakland Unified School District

APPENDIX A

ESTIMATED COSTS OF ISSUANCE*

OAKLAND UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION BONDS (ELECTION OF 2020)
SERIES 2023A AND SERIES 2023B (FEDERALLY TAXABLE)

<u>Service</u>	<u>Provider</u>	<u>Cost (Estimate)*</u>
Bond & Disclosure Counsel	Orrick, Herrington & Sutcliffe LLP	\$175,000.00
Municipal Advisor	Isom Advisors, a Division of Urban Futures, Inc.	65,000.00
Paying Agent	U.S. Bank Trust Company, National Association	2,500.00
Rating Agency(ies)	Moody's Investors Service Inc.	106,000.00
Printing POS/OS	AVIA Communications, Inc.	2,500.00
District Expenses	Oakland Unified School District	15,000.00
Contingency	n/a	<u>9,000.00</u>
<u>Total:</u>		<u>\$375,000.00</u>

* Preliminary, subject to change.

APPENDIX B

GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the Oakland Unified School District General Obligation Bonds (Election of 2020), Series 2023A and the Oakland Unified School District General Obligation Bonds (Election of 2020), Series 2023B (Federally Taxable) (collectively, the “Bonds”) in compliance with Section 5852.1 of the Government Code of the State of California. Such good faith estimates have been provided to the District by Isom Advisors, a Division of Urban Futures, Inc., as the municipal advisor to the District (the “Municipal Advisor”).

Principal Amount. The Municipal Advisor has informed the District that, based on the District’s financing plan and current market conditions, the good faith estimate of the aggregate principal amount of the Bonds to be sold is \$185,000,000 (the “Estimated Principal Amount”).

True Interest Cost of the Bonds. The Municipal Advisor has informed the District that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, the good faith estimate of the true interest cost of the Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Bonds, is 4.800%.

Finance Charge of the Bonds. The Municipal Advisor has informed the District that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, the good faith estimate of the finance charge for the Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Bonds), is \$1,701,170.32.

Amount of Proceeds to be Received. The Municipal Advisor has informed the District that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, the good faith estimate of the amount of proceeds expected to be received by the District for sale of the Bonds, less the finance charge of the Bonds, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the Bonds, is \$183,298,829.68.

Total Payment Amount. The Municipal Advisor has informed the District that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, the good faith estimate of the total payment amount, which means the sum total of all payments the District will make to pay debt service on the Bonds, plus the finance charge for the Bonds, as described above, not paid with the proceeds of the Bonds, calculated to the final maturity of the Bonds, is \$352,868,128.47.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Bonds being different than the date

assumed for purposes of such estimates, (b) the actual principal amount of Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the District's financing plan, or a combination of such factors. The actual date of sale of the Bonds and the actual principal amount of Bonds sold will be determined by the District based on the need for project funds and other factors. The actual interest rates borne by the Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the District.

SECRETARY'S CERTIFICATE

I, Kyla Johnson-Trammell, Secretary of the Board of Education of the Oakland Unified School District, County of Alameda, California, do hereby certify as follows:

The attached is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Education of said District duly and regularly held at the regular meeting place thereof on September 13, 2023, and entered in the minutes thereof, at which meeting all of the members of said Board of Education had due notice and at which a quorum was present, and said resolution was adopted by the following vote:

AYES: Benjamin "Sam" Davis, Jennifer Brouhard, VanCedric Williams, Vice President Clifford Thompson, President Mike Hutchinson

NOES: None

ABSTAIN: Valarie Bachelor

ABSENT: Student Director Anevay Cruz, Student Director Vida Mendoza, District 5 - Vacancy

An agenda of said meeting was posted at least 72 hours before said meeting at 1011 Union Street, Oakland, California, a location freely accessible to members of the public, and posted on the District's website at least 72 hours before said meeting in accordance with all applicable laws, and a brief description of said resolution appeared on said agenda. A copy of said agenda is attached hereto.

I have carefully compared the same with the original minutes of said meeting on file and of record in my office. 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.

WITNESS my hand this 13th day of September, 2023.



9/14/2023

Kyla Johnson-Trammell
Secretary of the Board of Education
Oakland Unified School District

Draft Bond Purchase Agreement

BOND PURCHASE AGREEMENT
OAKLAND UNIFIED SCHOOL DISTRICT
(County of Alameda, California)

**[\$2023A Par Amount]
GENERAL OBLIGATION BONDS
(ELECTION OF 2020),
SERIES 2023A**

**[\$2023B Par Amount]
GENERAL OBLIGATION BONDS
(ELECTION OF 2020),
SERIES 2023B
(FEDERALLY TAXABLE)**

[Sale Date]

Board of Supervisors
County of Alameda
1221 Oak Street, Room 536
Oakland, California 94612

Board of Education
Oakland Unified School District
1011 Union Street
Oakland, California 94607

Ladies and Gentlemen:

The undersigned, Siebert Williams Shank & Co., LLC, on its own behalf and as representative (the “Representative”) of Stifel Nicolaus & Company, Incorporated (together, the “Underwriters”) hereby offers to enter into this Bond Purchase Agreement (the “Purchase Contract”) with the Oakland Unified School District (the “District”), acting through its Superintendent or another Authorized District Representative and the County of Alameda (the “County”). The offer made hereby is subject to acceptance by the District and the County by execution and delivery of this Purchase Contract to the Underwriters at or prior to 11:59 p.m., California time, on the date hereof, but it shall be subject to withdrawal by the Representative upon written notice delivered to the District at any time prior to the District’s and County’s acceptance of this Purchase Contract. The Representative represents that it has been duly authorized by the other Underwriter to act hereunder on its behalf and has full authority to take such action as it may deem advisable in respect of all matters pertaining to this Purchase Contract and that the Representative has been duly authorized to execute this Purchase Contract. Any action taken under this Purchase Contract by the Representative will be binding upon all the Underwriters. Upon acceptance of this offer by the District and the County in accordance with the terms hereof, this Purchase Contract will be binding upon the District and the County, and upon the Underwriters. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Paying Agent Agreement and District Resolution (as defined herein).

1. Purchase and Sale. Upon the terms and conditions and upon the representations, covenants and agreements hereinafter set forth, the Underwriters hereby jointly and severally agree to purchase from the County, on behalf of the District, for reoffering to the public, and the County on behalf of the District, hereby agrees to sell to the Underwriters for such purpose, all (but not less than all) of the \$[2023A Par Amount] aggregate principal amount of the Oakland Unified School District General Obligation Bonds (Election of 2020), Series 2023A (the “Tax-Exempt Bonds”) and the \$[2023B Par Amount] aggregate principal amount of the Oakland Unified School District General Obligation Bonds (Election of 2020), Series 2023B (Federally Taxable) (the “Taxable Bonds” and, together with the Tax-Exempt Bonds, the “Bonds”), at the purchase price of \$[Purchase Price], which has been computed as the aggregate principal amount of the Bonds (\$[Aggregate Par]), plus [net] original issue premium thereon (\$[Premium]), less Underwriters’ discount (\$[UW Discount]), [and less premium for the Insurance Policy (defined below) (\$[Insurance Premium])], which shall be wired directly to the Bond Insurer (defined below)]. The Underwriters’ discount does not exceed [_.__]% of the aggregate principal amount of the Bonds (excluding any costs of issuance the Underwriters agree to pay as described herein).

The District and the County acknowledge and agree that (i) the purchase and sale of the Bonds pursuant to this Purchase Contract is an arm’s-length commercial transaction between the District and the Underwriters, (ii) in connection therewith and with the discussion, undertakings and procedures leading up to the consummation of such transaction, each Underwriter is and has been acting solely as a principal and not as an agent or a fiduciary of, or municipal advisor to, the District, (iii) the Underwriters have not assumed (individually or collectively) an advisory or fiduciary responsibility in favor of the District or the County with respect to (a) the offering of the Bonds or the process leading thereto (whether or not the Underwriters have advised or are currently advising the District on other matters) or (b) any other obligation to the District or the County except the obligations expressly set forth in this Purchase Contract and (iv) the District and the County have consulted with their own legal, financial and other professional advisors to the extent they have deemed appropriate in connection with the offering of the Bonds. Each of the District and County acknowledges that it has previously received from the Underwriters a letter regarding Municipal Securities Rulemaking Board (“MSRB”) Rule G-17 Disclosures, and that it has provided the Underwriters acknowledgement of such letters.

[Payment of the principal of and interest on the Tax-Exempt Bonds shall be insured by [Bond Insurer] (the “Bond Insurer”), which shall issue its municipal bond insurance policy (the “Insurance Policy”) guaranteeing such payment.]

2. The Bonds. The Bonds shall be issued pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code and other applicable law, in accordance with a resolution of the Board of Supervisors of the County, adopted on [October 17], 2023 (the “County Resolution”), and Resolution No. 2324-[____] of the Board of Education of the District, adopted on September 13, 2023, (the “District Resolution”), and pursuant to the terms of that certain Paying Agent Agreement, dated as of November 1, 2023 (the “Paying Agent Agreement”), to be entered into between the District and U.S. Bank Trust Company, National Association, as paying agent (the “Paying Agent”) with respect to the Bonds. The Bonds shall conform in all respects to the terms and provisions set forth in the County Resolution, the District Resolution, the Paying Agent Agreement and in Appendix A to this Purchase Contract.

The Bonds shall be dated the date of delivery, and shall mature on August 1 in each of the years, in the principal amounts, and pay interest at the rates shown in Appendix A. Interest on the Bonds shall be payable commencing on [February 1, 2024], and thereafter on February 1 and August 1 in each year until maturity.

[The Bonds shall be subject to optional and mandatory sinking fund redemption on the terms and at the times shown in Appendix A.]

The Bonds shall be issued in full book-entry form and otherwise be as described in the preliminary Official Statement of the District with respect thereto, dated [POS Date] (the “Preliminary Official Statement”).

One fully registered certificate for each maturity of the Bonds will be prepared and delivered as described in Section 9 hereof, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), and will be made available to the Underwriters for inspection at such place as may be mutually agreed to by the Underwriters and the District, not less than one business day prior to the Closing Date, as defined in Section 9 hereof. The Underwriters shall order CUSIP identification numbers and the District shall cause such CUSIP identification numbers to be printed on the Bonds.

3. Offering. The Representative, on behalf of the Underwriters, hereby certifies that each Underwriter has made a bona fide public offering of all the Bonds as of the date hereof at the prices or yields shown in the table attached to Appendix A hereto. On or prior to the Closing Date, the Underwriters shall provide the District with information regarding the prices or yields at which a representative portion (at least 10%) of each maturity of the Tax-Exempt Bonds were sold to the public, in such form as the District may reasonably request, for purposes of determining the yield on the Bonds. Subsequent to such initial public offering, the Underwriters reserve the right to change such initial public offering prices or yields as they deem necessary in connection with the marketing of the Bonds; provided that the Underwriters shall not change the interest rates on the Bonds set forth in Appendix A. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices.

The District hereby ratifies, approves and confirms the distribution of this Purchase Contract, the District Resolution, the Paying Agent Agreement, the Continuing Disclosure Certificate (as defined herein) and the Preliminary Official Statement of the District with respect to the Bonds, in connection with the public offering and sale of the Bonds by the Underwriters.

The Representative, on behalf of the Underwriters, hereby represents, that each Underwriter has received and reviewed the Preliminary Official Statement, and hereby agrees that it will provide, consistent with the requirements of MSRB Rule G-32, for the delivery of a copy of the final Official Statement describing the Bonds, dated the date hereof (the “Official Statement”), to each customer who purchases any Bonds during the underwriting period (as such term is defined in MSRB Rule G-11), and to deliver a copy of the Official Statement to the MSRB on or before the Closing Date (as defined herein), and otherwise to comply with all applicable statutes and regulations in connection with the offering and sale of the Bonds, including, without limitation, MSRB Rule G-32 and 17 CFR Section 240.15c2-12, promulgated by the Securities and Exchange Commission (“Rule 15c2-12”).

Delivery of the Official Statement to the Underwriters shall be construed as a representation of the District that the District has reviewed and approved such Official Statement and authorizes the distribution thereof in electronic or paper form.

The Representative, on behalf of the Underwriters, hereby agrees that prior to the time the Official Statement is available, the Underwriters will send to any potential purchaser of the Bonds, upon request, a copy of the most recent Preliminary Official Statement. Such Preliminary Official Statement shall be sent by first class mail (or other equally prompt means) including via email or a link to an electronic copy posted on a website, not later than the first business day following the date upon which each such request is received.

The District will deliver a copy of the Official Statement by electronic means to the Underwriters within seven business days from the date hereof, but no later than three business days prior to the Closing Date, signed by an Authorized District Representative, substantially in the form of the Preliminary Official Statement with such changes thereto as shall be approved by the Representative, which approval shall not be unreasonably withheld.

4. Representations, Warranties and Agreements of the District. The District represents, warrants and agrees that, as of the date hereof and as of the Closing Date:

(a) The District is a school district duly organized and validly existing under the Constitution and general laws of the State of California, with the power to authorize the issuance of the Bonds and request the County to sell the Bonds on behalf of the District pursuant to the laws of the State of California.

(b) The District is duly authorized and has full legal right, power and authority to issue, sell and deliver the Bonds pursuant to the District Resolution, the Paying Agent Agreement, and the provisions of the laws of the State of California, and the Bonds, when issued, authenticated and delivered in accordance with the District Documents (as defined below) and sold to the Underwriters as provided herein, will be the legal, valid and binding obligation of the District enforceable in accordance with their terms.

(c) (i) The District has full legal right, power and authority to enter into this Purchase Contract, to adopt the District Resolution, to execute and deliver the Paying Agent Agreement, the Preliminary Official Statement, the Official Statement and the Continuing Disclosure Certificate, and to observe and perform the District's covenants and agreements contained herein and therein and of the Paying Agent Agreement and the Continuing Disclosure Certificate to be observed and performed by the District; (ii) the execution and delivery or adoption of, and the performance by the District of the obligations contained in this Purchase Contract, the Paying Agent Agreement, the Preliminary Official Statement, the Official Statement and the Continuing Disclosure Certificate (collectively, the "District Documents") have been duly authorized and such authorization shall be in full force and effect at the time of the Closing; (iii) each of the District Documents constitutes a valid and legally binding obligation of the District, enforceable against the District in accordance with its terms; and (iv) the District has duly authorized the consummation by it of all transactions contemplated by the District Documents.

(d) The District has duly adopted the District Resolution in accordance with the laws of the State of California; the District Resolution is in full force and effect and has not been amended, modified or rescinded, and all representations of the District set forth in the District Resolution are true and correct; the District has duly authorized and approved the execution and delivery of, and the observance and performance by the District of its covenants and agreements contained in the Bonds, the Paying Agent Agreement and this Purchase Contract; and the District has complied, and will at the Closing be in compliance in all respects, with its obligations in connection with the issuance of the Bonds contained in this Purchase Contract, the District Resolution, the Paying Agent Agreement and the Bonds.

(e) The District represents to the Underwriters that the Preliminary Official Statement has been “deemed final” by the District as of its date within the meaning of paragraph (b)(1) of Rule 15c2-12, except for the omission of some or all of such information the omission of which is permitted under Rule 15c2-12.

(f) The Preliminary Official Statement as of its date did not and as of the date hereof does not, and the Official Statement as of its date and as of the Closing Date will not, and if supplemented or amended, as of the date of any such supplement or amendment, will not, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; excluding in each case any information contained therein relating to DTC or its book-entry only system; CUSIP numbers of the Bonds; information contained therein describing the investment policy of the County, its current portfolio holdings, and valuation procedures (as they relate to funds of the District held by the Treasurer-Tax Collector of the County (the “Treasurer-Tax Collector”)); and information provided by the Underwriters regarding the prices or yields at which the Bonds were re-offered to the public, as to all of which the District expresses no view.

(g) The District agrees that, for a period of 25 days after the end of the “underwriting period” (as defined in Rule 15c2-12), if any event of which it has actual knowledge occurs which might cause the information in the Official Statement as then in existence to contain any untrue or misleading statement of a material fact or omit to state any fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which such statements were made, not misleading, the District shall promptly notify the Representative in writing of the circumstances and details of such event. If, as a result of such event or any other event, it is necessary, in the reasonable opinion of the Representative, to amend or supplement the Official Statement so that the Official Statement does not contain any untrue or misleading statement of a material fact or omit to state any fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which such statements were made, not misleading, and if the Representative shall have so advised the District, the District shall forthwith cooperate with the Representative in the prompt preparation and furnishing to the Underwriters, at the expense of the District, of a reasonable number of copies of an amendment of or a supplement to the Official Statement, in form and substance satisfactory to the Representative, which will so amend or supplement the Official Statement so that, as amended or supplemented, it will not contain any untrue or misleading statement of a material fact or omit to state any fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which such statements were made, not misleading. The District shall promptly advise the Underwriters of the commencement of any action, suit, proceeding, inquiry

or investigation seeking to prohibit, restrain or otherwise affect the use of the Official Statement in connection with the offering, sale or distribution of the Bonds. Unless the Representative otherwise advises the District that the end of the underwriting period shall be another specified date, the District agrees that the end of the underwriting period shall be the Closing Date.

(h) The District will undertake, pursuant to the District Resolution, Paying Agent Agreement and a Continuing Disclosure Certificate, dated the Closing Date (the “Continuing Disclosure Certificate”) to provide certain annual financial information and notices of the occurrence of certain enumerated events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement. Except as disclosed in the Official Statement, in the preceding five years, the District has not failed to comply in any material respects with any previous undertakings pursuant to Rule 15c2-12.

(i) The District has, and has had, no municipal advisory relationship with the Underwriters with respect to the Bonds, nor with any investment firm controlling, controlled by or under common control with the Underwriters.

(j) Between the date hereof and the Closing Date, without prior written notice to the Representative, the District will not have issued, nor will the County have issued in the name and on behalf of the District, any bonds, notes or other obligations for borrowed money except for such borrowings as may be described in or contemplated by the Official Statement.

(k) The District hereby agrees to take any and all actions as may be required by the County or otherwise necessary in order to arrange for the levy and collection of taxes, payment of the Bonds, and the deposit and investment of Bond proceeds. In particular, the District hereby agrees to provide to the Treasurer-Tax Collector a copy of the District Resolution, a copy of Appendix A hereto, and the full debt service schedule for the Bonds.

(l) No consent, approval, authorization, order, filing, registration, qualification, election or referendum, of or by any court or governmental agency or public body whatsoever is required in connection with the issuance, delivery or sale of the Bonds or the consummation of the other transactions effected or contemplated herein or hereby, except for the authorization by the County’s Board of Supervisors reflected in the County Resolution and except for such actions as may be necessary to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions of the United States as the Underwriters may reasonably request, or which have not been taken or obtained; provided, however, that the District shall not be required to subject itself to service of process in any jurisdiction in which it is not so subject as of the date hereof.

(m) To the best knowledge of the District after diligent inquiry, the issuance of the Bonds, and the execution, delivery and performance of the District Resolution, the District Documents and the Bonds, and the compliance with the provisions hereof and thereof do not conflict with or constitute on the part of the District a violation of or default under, the Constitution of the State or any existing law, charter, ordinance, regulation, decree, order or resolution and do not conflict with or result in a violation or breach of, or constitute a default under, any agreement, indenture, mortgage, lease or other instrument to which the District is a party or by which it is bound or to which it is subject and no event has occurred and is continuing which constitutes or

with the passage of time or the giving of notice, or both, would constitute a material default or event of default by the District under any of the foregoing.

(n) No action, suit, proceeding, hearing or investigation is pending or, to the best knowledge of the District after diligent inquiry, threatened against the District: (i) in any way affecting the existence of the District or in any way challenging the respective powers of the several offices or of the titles of the officials of the District to such offices; or (ii) seeking to prohibit, restrain or enjoin the sale, issuance or delivery of any of the Bonds, or the application of the proceeds of the sale of the Bonds, or the collection or levy of taxes contemplated by the District Resolution and available to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, the District Resolution, the Paying Agent Agreement or this Purchase Contract or contesting the powers of the District or its authority with respect to the Bonds, the District Resolution, the Paying Agent Agreement or this Purchase Contract or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement; or (iii) in which a final adverse decision could (A) materially adversely affect the operations of the District or the consummation of the transactions contemplated by the District Resolution, the Paying Agent Agreement or this Purchase Contract, (B) declare this Purchase Contract to be invalid or unenforceable in whole or in material part, or (C) adversely affect the exclusion of the interest paid on the Tax-Exempt Bonds from gross income for federal income tax purposes and the exemption of such interest paid on the Bonds from California personal income taxation.

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

(p) The financial statements of the District contained in the Preliminary Official Statement and Official Statement fairly present the financial position and results of operations of the District as of the dates and for the periods therein set forth.

(q) The District hereby represents that it has not entered into any contract or agreement that would limit or restrict the District's ability to enter into this Purchase Contract for the sale of the Bonds to the Underwriters.

(r) The District has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the District is a bond issuer whose arbitrage certificates may not be relied upon.

(s) The District has the legal authority to apply the proceeds of the Bonds for the purposes contemplated by the Preliminary Official Statement and the Official Statement, including for the payment or reimbursement of incidental expenses in connection with the marketing, issuance and delivery of the Bonds to the extent described in Section 11 of this Purchase Contract and in compliance with applicable law.

5. Representations and Agreements of the County. The County represents to and agrees with the Underwriters that, as of the date hereof and as of the Closing Date:

(a) The County is a political subdivision duly organized and validly existing under the Constitution and general laws of the State of California, with the power to authorize the issuance of the Bonds and to sell the Bonds on behalf of the District pursuant to the laws of the State of California.

(b) The County has full legal right, power and authority to enter into this Purchase Contract, to adopt the County Resolution, to enter into the Paying Agent Agreement, and to observe and perform the County's covenants and agreements contained herein and therein.

(c) The County has duly adopted the County Resolution in accordance with the laws of the State of California; the County Resolution is in full force and effect and has not been amended, modified or rescinded, and all representations of the County set forth in the County Resolution are true and correct; the County has duly authorized and approved the execution and delivery of, and the observance and performance by the County of its covenants and agreements contained in the Bonds and this Purchase Contract; and the County has complied, and will at the Closing be in compliance in all respects, with its obligations in connection with the issuance of the Bonds contained in this Purchase Contract, the County Resolution, the Paying Agent Agreement and the Bonds.

(d) The Section of the Preliminary Official Statement entitled APPENDIX F – "COUNTY OF ALAMEDA ANNUAL INVESTMENT POLICY AND INVESTMENT REPORT" as of its date did not and as of the date hereof does not, and the Official Statement as of its date and as of the Closing Date will not, and if supplemented or amended, as of the date of any such supplement or amendment, will not, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(e) The County has, and has had, no municipal advisory relationship with the Underwriters with respect to the Bonds, nor with any investment firm controlling, controlled by or under common control with the Underwriters.

(f) Between the date hereof and the Closing Date, without prior written notice to the Representative, the County will not have sold in the name and on behalf of the District, any bonds, notes, or other obligations for borrowed money except for such borrowings as may be described in or contemplated by the Official Statement.

(g) No consent, approval, authorization, order, filing, registration, qualification, election or referendum, of or by any court or governmental agency or public body whatsoever is required in connection with the issuance, delivery or sale of the Bonds or the consummation of the other transactions effected or contemplated herein or hereby, except for the actions of the District with respect to the sale of the Bonds and except for such actions as may be necessary to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions of the United States as the Underwriters may reasonably request, or which

have not been taken or obtained; provided, however, that the County shall not be required to subject itself to service of process in any jurisdiction in which it is not so subject as of the date hereof.

(h) To the best knowledge of the County after diligent inquiry, the issuance of the Bonds, and the execution, delivery and performance of the County Resolution, the Paying Agent Agreement, this Purchase Contract and the Bonds, and the compliance with the provisions hereof and thereof do not conflict with or constitute on the part of the County a violation of or default under, the Constitution of the State or any existing law, charter, ordinance, regulation, decree, order or resolution and do not conflict with or result in a violation or breach of, or constitute a default under, any agreement, indenture, mortgage, lease or other instrument to which the County is a party or by which it is bound or to which it is subject and no event has occurred and is continuing which constitutes or with the passage of time or the giving of notice, or both, would constitute a material default or event of default by the County under any of the foregoing.

(i) No action, suit, proceeding, hearing or investigation is pending or, to the best knowledge of the County after diligent inquiry, threatened against the County: (i) in any way affecting the existence of the County or in any way challenging the respective powers of the several offices or of the titles of the officials of the County to such offices; or (ii) seeking to prohibit, restrain or enjoin the sale, issuance or delivery of any of the Bonds, or the application of the proceeds of the sale of the Bonds, or the collection or levy of taxes contemplated by the District Resolution and the County Resolution and available to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, the County Resolution, the Paying Agent Agreement or this Purchase Contract or contesting the powers of the County or its authority with respect to the Bonds, the County Resolution, the Paying Agent Agreement or this Purchase Contract or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement; or (iii) in which a final adverse decision could (A) materially adversely affect the operations of the County or the consummation of the transactions contemplated by the County Resolution, the Paying Agent Agreement or this Purchase Contract, (B) declare this Purchase Contract to be invalid or unenforceable in whole or in material part, or (C) adversely affect the exclusion of the interest paid on the Tax-Exempt Bonds from gross income for federal income tax purposes and the exemption of such interest paid on the Bonds from California personal income taxation.

(j) Any certificates signed by any officer of the County and delivered to the Underwriters shall be deemed a representation and warranty by the County to the Underwriters, but not by the person in their individual capacity signing the same, as to the statements made therein.

(k) The County hereby represents that it has not entered into any contract or agreement that would limit or restrict the County's ability to enter into this Purchase Contract for the sale of the Bonds to the Underwriters.

6. Representations and Agreements of the Underwriters. Each of the Underwriters represents to and agrees with the District and the County that, as of the date hereof and as of the date of the Closing:

(a) Such Underwriter is duly authorized to enter into this Purchase Contract and to take any action under this Purchase Contract required to be taken by it, and the undersigned officer of the Representative is duly authorized to sign this Purchase Contract and to act hereunder on behalf of the Underwriters.

(b) Such Underwriter is in compliance with MSRB Rule G-37 with respect to the District and the County and is not prohibited thereby from acting as underwriter with respect to securities of the District.

(c) Such Underwriter has, and has had, no municipal advisory relationship, within the meaning of Section 15B(e)(4) of the Securities Exchange Act of 1934, as amended, with the District or the County with respect to the Bonds, and no investment firm controlling, controlled by or under common control with the Underwriter has or has had any such municipal advisory relationship.

(d) Such Underwriter has reasonably determined that the District's undertaking pursuant to Sections 4(h) and 7(a)(11) hereof and in the Continuing Disclosure Certificate to provide continuing disclosure with respect to the Bonds, assuming the District's compliance therewith, is sufficient to effect compliance with Rule 15c2-12.

7. Conditions to Closing. The Underwriters have entered into this Purchase Contract in reliance upon (i) the representations, warranties, and agreements of the District contained herein; (ii) the accuracy of the representations, warranties, and agreements to be contained in the documents and instruments to be delivered at the Closing; and (iii) the performance by the District and the County and their respective obligations hereunder, both as of the date hereof and as of the date of the Closing. Accordingly, the Underwriters' obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the District and the County, as applicable, of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions, including the delivery by the District and the County of such documents as are enumerated herein, in form and substance reasonably satisfactory to the Representative, unless waived in writing by the Representative on behalf of the Underwriters:

(a) At or before Closing, and contemporaneously with the acceptance of delivery of the Bonds, the District will provide to the Underwriters:

(1) a certificate, signed by an Authorized District Representative, confirming to the Underwriters that the Preliminary Official Statement as of its date and as of the date hereof did not, and the Official Statement as of its date and at the time of Closing did not and does not, to the best of the knowledge of said official, after diligent inquiry, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading, and that there has been no material adverse change in the financial condition or affairs of the District which would make it unreasonable for the purchaser of the Bonds to rely upon the Official Statement in connection with the resale of the Bonds; excluding in each case: any information contained therein relating to DTC or its book-entry

only system; CUSIP numbers of the Bonds; information contained therein describing the investment policy of the County, its current portfolio holdings, and valuation procedures (as they relate to funds of the District held by the Treasurer-Tax Collector); and information provided by the Underwriters regarding the prices or yields at which the Bonds were re-offered to the public, as to all of which the District expresses no view.

(2) a certificate, signed by an official of the County, confirming to the Underwriters that the Preliminary Official Statement as of its date and as of the date hereof did not, and the Official Statement as of its date and at the time of Closing did not and does not, to the best of the knowledge of said official, after diligent inquiry, solely with respect to the information contained therein describing the County's investment policy, current portfolio holdings, and valuation procedures (as they relate to funds of the District held by the Treasurer-Tax Collector), contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(3) a certificate signed by an appropriate official of the County in form and substance satisfactory to the Representative to the effect that (i) the official signing this Purchase Contract on behalf of the County is authorized to do so, (ii) the representations, agreements and warranties of the County herein are true and correct in all material respects as of the Closing Date, (iii) the County has complied with all the terms of the County Resolution, the Paying Agent Agreement and this Purchase Contract to be complied with by the County prior to or concurrently with the Closing and such documents are in full force and effect as of the Closing Date, and (iv) the Bonds being delivered on the Closing Date to the Representative under this Purchase Contract conform to the descriptions thereof contained in the Paying Agent Agreement in all material respects.

(4) a certificate or certificates, signed by an Authorized District Representative, confirming to the Underwriters that, as of the Closing Date: (i) all of the representations, warranties and agreements of the District contained in this Purchase Contract are true and correct; (ii) that the District Resolution is in full force and effect and has not been amended, modified or rescinded; (iii) the official(s) signing this Purchase Agreement, the Paying Agent Agreement, the Official Statement, the Tax Certificate and the Continuing Disclosure Certificate on behalf of the District is (are) authorized to do so; (iv) the District has complied with all the terms of the District Documents to be complied with by the District prior to or concurrently with the Closing and the District Documents are in full force and effect; (v) no action, proceeding, investigation or litigation (with service of process having been accomplished) is pending or, to the knowledge of the undersigned, after diligent inquiry, threatened (either in state or federal courts): (A) seeking to restrain or enjoin the execution, sale or delivery of any of the Bonds, (B) in any way contesting or affecting, directly or indirectly, the validity of the Bonds or any provisions made or authorized for their payment or the authority for the execution, sale or delivery of the Bonds, the Official Statement, the Continuing Disclosure Certificate, the Paying Agent Agreement, or this Purchase Agreement, or (C) in any way contesting the existence or powers of the District or the entitlement of the officers of the District who have signed the Bonds and the Official Statement and the various certificates and agreements of the District relating to the issuance of the Bonds, to their respective offices; (vi) based upon the

information provided to such official in the course of their participation in the preparation of the Preliminary Official Statement and the Official Statement and upon diligent inquiry, they have no reason to believe that the Preliminary Official Statement (except for the information permitted to be omitted pursuant to Rule 15c2-12) as of the date of the Preliminary Official Statement and as of the date hereof or the Official Statement as of its date and as of the Closing Date contained or contains any untrue statement of a material fact or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (vii) each of the conditions listed in Section 7 of this Purchase Agreement required to be satisfied by the District has been satisfied on the date thereof and the District is not aware of any other condition of this Purchase Agreement that has not been satisfied on the date thereof; and (viii) the Bonds being delivered on the Closing Date to the Underwriters under this Purchase Agreement substantially conform in all material respects to the descriptions thereof contained in the District Resolution, the Paying Agent Agreement, the Official Statement and this Purchase Agreement;

(5) the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel with respect to the issuance of the Bonds (“Bond Counsel”), addressed to the District, dated the Closing Date, approving the validity of the Bonds, substantially in the form set forth as Appendix D to the Official Statement, along with a reliance letter from Bond Counsel addressed to the Underwriters to the effect that the Underwriters can rely upon such opinion.

(6) a supplemental opinion of Bond Counsel, as disclosure counsel to the District (“Disclosure Counsel”) addressed to the Representative, dated the Closing Date, acceptable in form and substance to the Representative, substantially in the form set forth as Appendix B herein.

(7) an opinion of Husch Blackwell LLP, counsel for the Underwriters (“Underwriters’ Counsel”), dated the Closing Date and addressed to the Underwriters, satisfactory in form and substance to the Representative.

(8) an opinion of County Counsel, dated the Closing Date and addressed to the Representative, satisfactory in form and substance to the Representative to the effect that: (i) the County is a political subdivision of the State, duly organized and validly existing under the Constitution and the laws of the State, (ii) the County Resolution approving and authorizing the execution, sale and delivery of this Purchase Contract and the issuance of the Bonds was duly adopted at a meeting of the Board of Supervisors of the County, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting at the time of adoption, and the County Resolution has not been modified, amended, rescinded or revoked and is in full force and effect on the date thereof, (iii) to the knowledge of the County Counsel, there is no action, suit proceeding, inquiry or investigation, at law or equity, before or by any court, governmental agency, public authority or body, pending or threatened against the County in which service of process has been completed: (a) affecting the existence of the County or the titles of its officers who have acted with respect to the proceedings for issuance and sale of the Bonds to their respective offices; (b) seeking to prohibit, restrain or enjoin the execution, delivery

or performance of this Purchase Contract or the sale and issuance of the Bonds or in any way contesting or affecting the validity or enforceability of the Bonds; (c) contesting the powers of the County or its authority to enter into, adopt, or perform its obligations under the Purchase Contract; or (d) seeking to restrain or enjoin the levy or collection of tax revenues pledged for payment of the Bonds, or the application thereof to such payment, and (iv) this Purchase Contract has been duly authorized, executed and delivered by the County and the Bonds have been duly authorized by the County, executed by the County on behalf of the District and delivered by the County and, assuming due authorization, execution and delivery by the other parties thereto, this Purchase Contract constitutes the legal, valid and binding obligations of the County enforceable against the County in accordance with its terms; *provided that* any County Counsel opinions regarding the enforcement of the County Documents and the Bonds may be expressly limited by effect of bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles if equitable remedies are sought any by the limitations on legal remedies imposed on actions against counties in the State.

(9) the duly executed Tax Certificate of the District, dated the Closing Date, in form satisfactory to Bond Counsel and the Representative, and, with respect to the Tax-Exempt Bonds, setting forth, among other things, the use of proceeds of the Tax-Exempt Bonds, and sufficient facts, estimates and circumstances (including covenants of and by the District) in existence on the Closing Date, to support the conclusion that (i) it is not expected that the proceeds of the Tax-Exempt Bonds will be used in a manner that would cause the Tax-Exempt Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, and the regulations, temporary regulations and proposed regulations promulgated with respect thereto, and (ii) to the best knowledge of the District, there are no other facts, estimates, or circumstances that would materially affect such expectations.

(10) the receipt of the District or its agent confirming payment by the Underwriters of the Purchase Price of the Bonds.

(11) the duly executed Continuing Disclosure Certificate of the District, in substantially the form attached as Appendix E to the Preliminary Official Statement.

(12) a certified copy of the adopted District Resolution.

(13) a certified copy of the adopted County Resolution.

(14) an executed copy of the Paying Agent Agreement.

(15) an executed copy of this Purchase Contract.

(16) an executed copy of the Official Statement.

(17) the letter of [Rating Agency] to the effect that such rating agency has rated the Bonds "[]" and that such rating has not been revoked or downgraded.

(18) a certificate signed by a District official setting forth a projection evidencing that tax rates with respect to the Bonds are projected not to exceed \$60.00 per \$100,000 of assessed value during the term of the Bonds, and a certificate signed by a County official confirming that the District is in compliance with applicable bonding capacity limitations.

(19) a certificate of the appropriate Authorized District Representative evidencing the District's determination that the Preliminary Official Statement is "deemed final" in accordance with Rule 15c2-12.

(20) an opinion of General Counsel to the District, dated the Closing Date and addressed to the District, Bond Counsel and the Representative, satisfactory in form and substance to Bond Counsel and the Representative.

(21) [executed copies of the bond insurance commitment letter(s) and the Insurance Policy relating to the Tax-Exempt Bonds.]

(22) [a certificate of the Bond Insurer in form and substance satisfactory to Bond Counsel and the Underwriters.]

(23) [an opinion of counsel to the Bond Insurer in form and substance satisfactory to Bond Counsel and the Underwriters.]

(24) such additional opinions, certificates, and documents as Bond Counsel or the Underwriters may reasonably request to evidence the truth and correctness, as of the Closing Date, of the representations of the parties contained herein, and of the District contained in the Official Statement, and the due performance or satisfaction by the parties at or prior to such time of all agreements then to be performed and all conditions then to be satisfied.

(b) At or before Closing, and contemporaneously with the acceptance of delivery of the Bonds and the payment of the Purchase Price thereof, the Underwriters will provide to the District and the County:

(1) the receipt of the Underwriters, in form satisfactory to the District and the County and signed by an authorized officer of the Representative, confirming delivery of the Bonds to the Underwriters and the satisfaction or waiver of all conditions and terms of this Purchase Contract by the District and the County, and confirming to the District and the County that as of the Closing Date all of the representations of the Underwriters contained in this Purchase Contract are true, complete and correct in all material respects.

(2) the certification of the Underwriters, in form satisfactory to Bond Counsel, regarding the prices at which the Bonds have been reoffered to the public, as described in Section 3 hereof.

8. Termination. (a) In the event of the District's failure to deliver the Bonds at the Closing, or inability of the District or the County to satisfy the conditions to the obligations of the Underwriters contained herein (unless waived by the Underwriters), or if the obligations of

the Underwriters shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract may be terminated by the Underwriters at or prior to the Closing.

(b) *By Underwriters.*

(1) *Excused.* The Underwriters may terminate or delay their performance under this Purchase Contract, without any liability of the Underwriters therefor, by notification to the District and the County if, on or prior to the Closing Date, any of the following shall have had a material adverse effect on the marketability or market price of the Bonds or on the ability to enforce contracts for the sale of any portion of the Bonds at any contemplated offering prices by the Underwriters, in the reasonable opinion of the Underwriters, upon consultation with the District:

(A) There shall have occurred and be continuing the declaration of a general banking moratorium by any authority of the United States or the State of New York or the State of California;

(B) There shall be in force a general suspension of trading or other material restrictions not in force as of the date hereof on the New York Stock Exchange or other national securities exchange;

(C) Legislation shall have been enacted by the Congress of the United States, or passed by and still pending before either House of the Congress, or recommended or endorsed to the Congress for passage by the President of the United States, or favorably reported for passage to and still pending before either House of the Congress by any committee of such House to which such legislation has been referred for consideration, or a decision shall have been rendered by a court of the United States, or the United States Tax Court, or a ruling or regulation shall have been issued by the U.S. Treasury, with respect to federal taxation of interest received on securities of the general character of the Tax-Exempt Bonds, or legislation shall have been enacted by the State of California which renders interest on the Bonds not exempt from State of California personal income taxes, which in the reasonable opinion of the Representative materially adversely affects the marketability or market price of the Bonds;

(D) Legislation shall have been enacted, or a decision of a court of the United States shall have been rendered or any action shall have been taken by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction in the subject matter which, in the opinion of Bond Counsel, has the effect of requiring the contemplated distribution of the Bonds to be registered under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, or the District Resolution or the Paying Agent Agreement to be qualified under the Trust Indenture Act of 1939, as amended;

(E) The New York Stock Exchange or other national securities exchange, or any governmental authority or Executive Order, shall impose and there shall be in effect, as to the Bonds or obligations of the general character of

the Bonds, any material restrictions not now in force, or increase materially those now in force affecting the market for securities (including the imposition of any limitation on interest rates), with respect to the extension of credit by, or the charges to the net capital requirements of, underwriters;

(F) Congress shall have made a formal declaration of war, or the President of the United States shall have ordered a new major engagement in, or escalation of, military hostilities, a declared national emergency or there shall have occurred any other calamity or crisis (including without limitation a pandemic or epidemic), or the escalation of any such event that existed prior to the date hereof or any change that interrupts or causes disorder to the operation of the financial, political or economic conditions in the United States or elsewhere, if the effect of any such event specified above, in the judgment of the Representative, makes it impracticable or inadvisable to proceed with the offering, or the delivery, of the Bonds on the terms and in the manner contemplated in the Preliminary Official Statement or the Official Statement;

(G) There shall have occurred or any notice shall have been given of any intended downgrade, suspension, withdrawal or negative change in credit watch status by any national credit agency currently rating the Bonds;

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

(I) There shall have occurred any materially adverse change in the affairs or financial condition of the District; or

(J) Any fact or event shall exist or have existed that, in the Representative's judgment, requires or has required an amendment of, or supplement to, the Official Statement.

(2) *Unexcused.* In the event the Underwriters shall fail (other than for a reason permitted by this Purchase Contract) to pay for the Bonds upon tender of the Bonds at the Closing, the Underwriters shall have no right in or to the Bonds.

9. Closing. At or before 9:00 a.m., California time, on [Closing Date], or at such other date and time as shall have been mutually agreed upon by the District and the Representative, the District will deliver or cause to be delivered to the Underwriters the Bonds in book-entry form duly executed by the District, together with the other documents described in Section 7(a) hereof; and the Underwriters will accept such delivery and pay the Purchase Price of the Bonds as set forth in Section 1 hereof in immediately available funds by federal funds wires, in an aggregate amount equal to the Purchase Price, plus accrued interest, if any, on the Bonds

from the date thereof to the date of such payment, and shall deliver to the District the other documents described in Section 7(b) hereof, as well as any other documents or certificates Bond Counsel shall reasonably require.

Payment for the delivery of the Bonds as described herein shall be made to the Paying Agent on behalf of the District in San Francisco, California or at such other place as shall have been mutually agreed upon by the District and the Representative. The Bonds will be delivered through the facilities of DTC in New York, New York, or at such other place as shall have been mutually agreed upon by the District and the Representative. All other documents to be delivered in connection with the delivery of the Bonds shall be delivered at the offices of Orrick, Herrington & Sutcliffe LLP, San Francisco, California. Such payment and delivery is herein called the “Closing” and the date thereof the “Closing Date.”

10. Establishment of Issue Price.

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

(b) [Except as otherwise set forth in Appendix A hereto,] the District will treat the first price at which at least 10% of each maturity of the Tax-Exempt Bonds (the “10% test”) is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Purchase Contract, the Underwriters shall report to the District the price or prices at which the Underwriters have sold to the public each maturity of Tax-Exempt Bonds. [If at that time the 10% test has not been satisfied as to any maturity of the Tax-Exempt Bonds, the Representative, on behalf of the Underwriters agrees to promptly report to the District the prices at which Tax-Exempt Bonds of that maturity have been sold by the Underwriters to the public. That reporting obligation shall continue, whether or not the Closing has occurred, until the 10% test has been satisfied as to the Tax-Exempt Bonds of that maturity or until all Tax-Exempt Bonds of that maturity have been sold to the public.

(c) The Representative confirm that the Underwriters have offered the Tax-Exempt Bonds to the public on or before the date of this Purchase Contract at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in Appendix A attached hereto, except as otherwise set forth therein. Appendix A also sets forth, as of the date of this Purchase Contract, the maturities, if any, of the Tax-Exempt Bonds for which the 10% test has not been satisfied and for which the District and the Underwriters agree that the restrictions set forth in the next sentence shall apply, which will allow the District to treat the initial offering price

to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Tax-Exempt Bonds, the Underwriters will neither offer nor sell unsold Tax-Exempt Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the Underwriters have sold at least 10% of that maturity of the Tax-Exempt Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriters shall promptly advise the District when the Underwriters have sold 10% of that maturity of the Tax-Exempt Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

(d) The Representative confirms that any selling group agreement relating to the initial sale of the Tax-Exempt Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group to (A) report the prices at which it sells to the public the unsold Tax-Exempt Bonds of each maturity allotted to it until it is notified by the Representative that either the 10% test has been satisfied as to the Tax-Exempt Bonds of that maturity or all Tax-Exempt Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative. The District acknowledges that, in making the representation set forth in this subsection, the Representative will rely on in the event a selling group has been created in connection with the initial sale of the Tax-Exempt Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, if applicable, as set forth in a selling group agreement and the related pricing wires. The District further acknowledges that the Representative shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Tax-Exempt Bonds.]

(e) The Underwriters acknowledge that sales of any Tax-Exempt Bonds to any person that is a related party to the Underwriters shall not constitute sales to the public for purposes of this Section. Further, for purposes of this Section:

- (1) “public” means any person other than an underwriter or a related party;
- (2) “underwriter” means (A) any person that agrees pursuant to a written contract with the District or the County on behalf of the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Tax-Exempt Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Tax-Exempt Bonds to the public (including a member of a selling group or a party

to a retail distribution agreement participating in the initial sale of the Tax-Exempt Bonds to the public);

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

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

11. Expenses.

(a) *Costs of Issuance.* Except as provided in the following paragraph, the District shall pay all costs and expenses incurred in connection with or relating to the execution and sale of the Bonds or incident to the performance of its obligations hereunder, including but not limited to: (i) the cost of the preparation and reproduction of the District Resolution and the Paying Agent Agreement; (ii) the fees and disbursements of the District’s municipal advisor with respect to the Bonds; (iii) the fees and disbursements of Bond Counsel and Disclosure Counsel; (iv) the costs of the preparation, printing and delivery of the Bonds; (v) the costs of the preparation, printing and delivery of the Preliminary Official Statement, the Official Statement, investor presentation and any amendment or supplement thereto in the quantity requested by the Underwriters in accordance herewith; (vi) initial rating fee of [Rating Agency]; (vii) fees and expenses of the Paying Agent for the Bonds; and (viii) expenses for travel, lodging and meals relating to meetings connected to the authorization, sale, issuance and distribution of the Bonds including, without limitation, rating agency visits. The District acknowledges that it has had an opportunity, in consultation with its advisors if and as it may deem appropriate, to evaluate and consider the fees and expenses being incurred as part of the issuance of the Bonds.

(b) *Underwriters’ Expenses.* The Underwriters shall pay all other costs and expenses incurred by the Underwriters as a result of or in connection with the purchase of the Bonds and their public offering and distribution of the Bonds, including, but not limited to: (i) clearinghouse fees; (ii) DTC fees; (iii) CUSIP fees; (iv) fees required to be paid to the California Debt and Investment Advisory Commission (“CDIAC”); and (v) fees of counsel to the Underwriters, including costs or fees of qualifying the Bonds for offer and sale in various states chosen by the Underwriters and the costs or fees of preparing Blue Sky or legal investment memoranda to be used in connection therewith; provided, however, that the District shall reimburse the Underwriters for all of the foregoing expenses in the expense component of the underwriters’ discount.

12. Indemnification of Underwriters.

(a) The District agrees to indemnify and hold harmless the Underwriters and each person, if any, who controls (within the meaning of Section 15 of the Securities Act of 1933, as amended, or Section 20 of the Securities Exchange Act of 1934, as amended) the Underwriters, and their directors, officers, attorneys, agents and employees, against any and all losses, claims, damages liabilities or expenses (or actions in respect thereof) (“Claim”), that arise out of or are based upon (i) a claim in connection with the public offering of the Bonds to the effect that the Bonds or any related security are required to be registered under the Securities Act of 1933, as amended, or any Paying Agent Agreement is required to be qualified under the Trust Indenture Act of 1939, or (ii) any statement or information in the Preliminary Official Statement or in the Official Statement that is or is alleged to be untrue or incorrect in any material respect, or any omission or alleged omission of any statement or information in the Preliminary Official Statement or the Official Statement which is necessary in order to make the statements therein not misleading. The foregoing indemnity agreement shall be in addition to any liability that the District otherwise may have.

(b) In case any Claim shall be made or action brought against the Underwriters for which indemnity may be sought against the District, as provided above, the Underwriters shall promptly notify the District in writing setting forth the particulars of such Claim; but the omission to so notify the District (i) shall not relieve it from liability under paragraph (a) above unless and to the extent it did not otherwise learn of such action and such failure results in the forfeiture by the District of substantial rights and defenses and (ii) shall not relieve it from any liability which it may have to the Underwriters other than under paragraph (a) above. The District shall assume the defense thereof, including the retention of counsel acceptable to the Underwriters and the payment of all expenses and shall have the right to negotiate and consent to settlement. The Underwriters shall have the right to retain separate counsel in any such action and to participate in the defense thereof but the fees and expenses of such counsel shall be at the expense of the Underwriters unless the engagement of such counsel has been specifically authorized by the District or the District shall not have engaged counsel reasonably acceptable to the Underwriters to have charge of the defense of such action or proceeding or the Underwriters shall have reasonably concluded that there may be defenses available to it which are different from or additional to those available to the District (in which case the District shall not have the right to direct the defense of such action or proceeding on behalf of the Underwriters), in any of which events, such legal or other expenses shall be borne by the District. No party shall be liable for any settlement of any action effected without its consent, but if settled with the consent of the District or if there is a final judgment for the plaintiff in any action with or without written consent of the District, the District agrees to indemnify and hold harmless the indemnified parties to the extent of the indemnities set forth above from and against any loss or liability by reason of such settlement or judgment. Any such settlement must include an unconditional release of the Underwriters and the indemnified parties from all liability arising out of such action.

13. Indemnification of County; Non-Liability of County. Notwithstanding anything stated to the contrary in the District Resolution or the County Resolution, the Bonds are not a debt of the County, including its Board of Supervisors, officers, officials, agents and employees, and the County, including its Board of Supervisors, officers, officials, agents and employees, has no obligation to repay the Bonds. Neither the County, nor its Board of Supervisors, nor any officer, official, agent or employee of the County, shall have any obligation or liability hereunder or in connection with the transactions contemplated hereby other than as specified in

the Education Code. The Bonds, including the interest thereon, are payable solely from taxes levied under Section 15250 of the Education Code. The County has no responsibility and assumes no liability whatsoever arising from the expenditure of the proceeds of the Bonds by the District.

The County (including its officers, agents and employees) shall undertake only those duties of the County under the District Resolution and the County Resolution which are specifically set forth in the District Resolution and the County Resolution, and even during the continuance of an event of default with respect to the Bonds, no implied covenants or obligations shall be read into the District Resolution or the County Resolution against the County (including its officers, agents and employees).

The District further agrees to indemnify, defend and save the County (including its officers, agents and employees) harmless against any and all liabilities, costs, expenses, damages and claims which it may incur in the exercise and performance of its powers and duties hereunder and under the District Resolution and the County Resolution which are not due to the County's negligence or bad faith.

14. Notices. Any notice or other communication to be given under this Purchase Contract (other than the acceptance hereof as specified in the introductory paragraph hereof) may be given to the District and the County by delivering the same in writing to the District and the County at the addresses given below, and may be given to the Underwriters by delivering the same in writing to the address of the Representative set forth below, or such other address as the District, County, or the Representative may designate by notice to the other parties.

To the District: Oakland Unified School District
1011 Union Street
Oakland, California 94607
Attention: Chief Business Officer

To the County: County of Alameda
1221 Oak Street, Room 131
Oakland, California 94612
Attention: Treasurer-Tax Collector

To the Representative: Siebert Williams Shank & Co., LLC
1901 Harrison Street, Suite 1400
Oakland, CA 94612
Attention: Gary Hall, Head of Infrastructure and
Public Finance
Facsimile: (510) 645-2247

15. Governing Law. The validity, interpretation and performance of this Purchase Contract shall be governed by the laws of the State of California.

16. Parties in Interest. This Purchase Contract when accepted by the District and the County in writing as heretofore specified shall constitute the entire agreement between the District, the County and the Underwriters and is solely for the benefit of the District, the County

and the Underwriters (including the successors or assigns thereof). No other person shall acquire or have any rights hereunder or by virtue hereof. All representations and agreements in this Purchase Contract of each of the parties hereto shall remain operative and in full force and effect, regardless of (a) delivery of and payment for the Bonds hereunder or (b) any termination of this Purchase Contract.

17. Headings. The headings of the paragraphs and Sections of this Purchase Contract are inserted for convenience of reference only and shall not be deemed to be a part hereof.

18. Effectiveness. This Purchase Contract shall become effective upon the execution of the acceptance hereof by an Authorized District Representative and Authorized Representative of the County, and shall be valid and enforceable at the time of such acceptance.

[Remainder of page intentionally left blank]

19. Counterparts. This Purchase Contract, for the purchase and sale of the Oakland Unified School District General Obligation Bonds (Election of 2020), Series 2023A and Oakland Unified School District General Obligation Bonds (Election of 2020), Series 2023B (Federally Taxable), may be executed in several counterparts, which together shall constitute one and the same instrument.

Respectfully submitted,

SIEBERT WILLIAMS SHANK & CO., LLC,
on its own behalf and as representative of Stifel
Nicolaus & Company, Incorporated

By: _____
Authorized Representative

Accepted: [Sale Date]
Time: _____ p.m. (Pacific Time)

COUNTY OF ALAMEDA

By: _____
Authorized Representative

OAKLAND UNIFIED SCHOOL DISTRICT

By: _____
Chief Business Officer

APPENDIX A

OAKLAND UNIFIED SCHOOL DISTRICT
(County of Alameda, California)

**[\$[2023A Par Amount]
GENERAL OBLIGATION BONDS
(ELECTION OF 2020),
SERIES 2023A**

**[\$[2023B Par Amount]
GENERAL OBLIGATION BONDS
(ELECTION OF 2020),
SERIES 2023B
(FEDERALLY TAXABLE)**

TERMS

Interest Rates:

See attached Pricing Report from Underwriters as Schedule A.

Principal Payments:

See attached Pricing Report from Underwriters as Schedule A.

Terms of Redemption:

Optional Redemption. The Series 2023A Bonds maturing on or before August 1, 20__ are not subject to redemption prior to their respective stated maturity dates. The Series 2023A Bonds maturing on and after August 1, 20__, shall be subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part on any date on or after August 1, 20__, at a redemption price equal to 100% of the principal amount thereof called for redemption, together with interest accrued thereon to the date of redemption, without premium.

The Series 2023B Bonds are not subject to optional redemption prior to maturity.

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

Mandatory Sinking Fund Redemption Date (August 1)	Principal Amount to be Redeemed
_____	_____
	\$

†

† Maturity.

The principal amount to be redeemed in each year shown in the table above will be reduced proportionately, in integral multiples of \$5,000, by the amount of such Term Bond optionally redeemed prior to the mandatory sinking fund redemption date, if any.]

SCHEDULE A

Bond Pricing

**OAKLAND UNIFIED SCHOOL DISTRICT
(County of Alameda, California)**

**[\$2023A Par Amount]
GENERAL OBLIGATION BONDS (ELECTION OF 2020),
SERIES 2023A**

Bond Component	Maturity Date	Amount	Rate	Yield	Price	10% Test Satisfied*	10% Test Not Satisfied	Subject to the Hold-the-Offering Price Rule
Serial Bonds:								

Term Bonds:

* At least 10% of each maturity sold as of the sale date, [Sale Date].

^c Priced to a first optional par call date of August 1, 20__.

**[\$2023B Par Amount]
GENERAL OBLIGATION BONDS (ELECTION OF 2020),
SERIES 2023B (FEDERALLY TAXABLE)**

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Serial Bonds:					

APPENDIX B

PROPOSED FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

[To come]

APPENDIX C

ISSUE PRICE CERTIFICATE

**[\$2023A Par Amount]
OAKLAND UNIFIED SCHOOL DISTRICT
(County of Alameda, California)
GENERAL OBLIGATION BONDS (ELECTION OF 2020), SERIES 2023A**

The undersigned, Siebert Williams Shank & Co., LLC, on its own behalf and as representative (the “Representative”) of Stifel Nicolaus & Company, Incorporated (collectively, the “Purchaser”), based on information available to it, hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the price listed on the inside cover of the Official Statement published in connection with the issuance of the Bonds.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) The Underwriter offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. If there is a Hold-the-Offering Price Maturity, a copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Bond Purchase Agreement, the Underwriter has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “Hold-the-Offering-Price Rule”), and (b) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the Hold-the-Offering-Price Rule. No information has come to the attention of the Representative that any Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

[3. ***Qualified Guarantee.*** The present value of the interest to be saved on the Bonds as a result of the municipal bond insurance policy (the “Insurance”) exceeds the present value of the fees for such Insurance. The Insurance was a material factor in selling the Bonds at the lowest possible yield (given other characteristics of the Bonds). The premium paid for the Insurance does not exceed a reasonable arm’s length charge for transfer of the credit risk represented by the Insurance and does not include any payment for any direct or indirect services other than the transfer of credit risk.]

4. ***Defined Terms.***

(a) *General Rule Maturities* means those Maturities of the Bonds that are not “Hold-the-Offering-Price Maturities.”

(b) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”

(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date ([Sale Date]), or (ii) the date on which the Underwriter has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at one or more prices, each of which is no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *Issuer* means the Oakland Unified School District.

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

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of each maturity of the Bonds is [Sale Date].

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

Notwithstanding anything set forth herein, the Purchaser is not engaged in the practice of law. The representations set forth in this certificate are limited to factual matters only. Accordingly, the Purchaser makes no representation as to the legal sufficiency of the factual matters set forth herein. Nothing in this certificate represents the Purchaser’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Orrick, Herrington & Sutcliffe LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds. Except as expressly set forth above, the

certifications set forth herein may not be relied upon or used by any third party or for any other purpose.

SIEBERT WILLIAMS SHANK & CO., LLC,
as Representative

By: _____

Name: _____

Dated: [Closing Date].

SCHEDULE A
INITIAL OFFERING PRICES OF THE BONDS
(Attached.)

SCHEDULE B

PRICING WIRE OR EQUIVALENT COMMUNICATION

(Attached.)

Draft Preliminary Official Statement

PRELIMINARY OFFICIAL STATEMENT DATED [OCTOBER 18], 2023**NEW ISSUES – BOOK-ENTRY ONLY****RATING: See “MISCELLANEOUS – Ratings.”**

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

**OAKLAND UNIFIED SCHOOL DISTRICT
(County of Alameda, California)**

§[2023A PAR]*
**General Obligation Bonds (Election of 2020),
Series 2023A**

§[2023B PAR]*
**General Obligation Bonds (Election of 2020),
Series 2023B (Federally Taxable)**

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

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

The Oakland Unified School District General Obligation Bonds (Election of 2020), Series 2023A (the “**Series 2023A Bonds**” or the “**Tax-Exempt Bonds**”), and the Oakland Unified School District General Obligation Bonds (Election of 2020), Series 2023B (Federally Taxable) (the “**Series 2023B Bonds**” or the “**Taxable Bonds**” and, together with the Series 2023A Bonds, the “**Series 2023 Bonds**” or the “**Bonds**”) are being issued by the Oakland Unified School District (the “**District**”) and sold by the County of Alameda (the “**County**”) on behalf of the District to (i) finance specific construction and modernization projects approved by the voters, (ii) fund capitalized interest on the Series 2023 Bonds, and (iii) pay costs of issuance of the Series 2023 Bonds.

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

The Bonds will be issued as current interest bonds. Interest on the Bonds is payable on each February 1 and August 1 to maturity, commencing [February 1, 2024]. Principal of the Bonds is payable on the dates in each of the years and in the amounts set forth on the inside front cover hereof.

The Bonds will be issued in denominations of \$5,000 principal amount, or any integral multiple thereof as shown on the inside front cover hereof.

[The scheduled payment of principal of and interest on the Series 2023A Bonds (the “**Insured Bonds**”), when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Insured Bonds by [ISURER].]

[Insert Insurer Logo]

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

The Bonds are subject to redemption prior to maturity as described herein.* See “THE BONDS – Redemption.”

**See Inside Front Cover for
Maturity Schedules**

The Bonds will be offered when, as and if issued by the District and received by the Underwriters, subject to the approval of legality by Orrick, Herrington & Sutcliffe LLP, San Francisco, California, Bond Counsel to the District. Certain legal matters will be passed upon for the

* Preliminary, subject to change.

District by Orrick, Herrington & Sutcliffe LLP, as Disclosure Counsel to the District. Certain legal matters will be passed upon for the Underwriters by Husch Blackwell LLP, Oakland, California. Isom Advisors, a Division of Urban Futures, Inc., Walnut Creek, California, serves as Municipal Advisor to the District in connection with the issuance of the Bonds. It is anticipated that the Bonds, in book-entry form, will be available for delivery through the facilities of DTC on or about November __, 2023.

[Siebert Logo]

[Stifel Logo]

Dated: _____, 2023.

MATURITY SCHEDULES

**OAKLAND UNIFIED SCHOOL DISTRICT
(County of Alameda, California)**

**[\$[2023A PAR]*
General Obligation Bonds (Election of 2020), Series 2023A**

<u>Maturity Date (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield†</u>	<u>CUSIP No.‡ (672325)</u>
-------------------------------------	-----------------------------	----------------------	---------------	--------------------------------

\$ _____ % Term Bonds due August 1, 20__ Yield† _____% CUSIP No.‡ 672325 _____

**[\$[2023B PAR]*
General Obligation Bonds (Election of 2020), Series 2023B (Federally Taxable)**

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield†</u>	<u>CUSIP No.‡ (672325)</u>
----------------------	-----------------------------	----------------------	---------------	--------------------------------

* Preliminary, subject to change.

† Yields certified by the Underwriters. The District takes no responsibility therefor.

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

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

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

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

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

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

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

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE BONDS AT LEVELS ABOVE THOSE THAT MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITERS MAY OFFER AND SELL THE BONDS TO CERTAIN SECURITIES DEALERS AND DEALER BANKS AND BANKS ACTING AS AGENTS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE FRONT COVER PAGE HEREOF AND SAID PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS.

[[Insurer] (“[]”)] makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, [] has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding [], supplied by [] and presented under the heading “BOND INSURANCE” and APPENDIX H – “SPECIMEN MUNICIPAL BOND INSURANCE POLICY.”]

COUNTY OF ALAMEDA, CALIFORNIA

Board of Supervisors

Nate Miley, *President (District 4)*
David Haubert, *Vice President (District 1)*
Elisa Márquez, *Member (District 2)*
Lena Tam, *Member (District 3)*
Keith Carson, *Member (District 5)*

Administration

Henry C. Levy, *Treasurer-Tax Collector*
Melissa Wilk, *Auditor-Controller*

OAKLAND UNIFIED SCHOOL DISTRICT

Board of Education

Mike Hutchinson, *President (District 4)*
Benjamin "Sam" Davis, *Vice President (District 1)*
Jennifer Brouhard, *Member (District 2)*
VanCedric Williams, *Member (District 3)*
Vacancy, (District 5)
Valarie Bachelor, *Member (District 6)*
Clifford Thompson, *Member (District 7)*

Administration

Dr. Kyla Johnson-Trammell, *Superintendent*
Dr. Dexter Moore, Jr., *Acting Chief of Staff*
Lisa Grant-Dawson, *Chief Business Officer*
Preston Thomas, *Chief Systems and Services Officer*
Kenya Chatman, *Executive Facilities Director*
Ryannhon Nguyen, *Controller*
Jenine Lindsey, *Interim General Counsel*

PROFESSIONAL SERVICES

Bond Counsel and Disclosure Counsel

Orrick, Herrington & Sutcliffe LLP
San Francisco, California

Municipal Advisor

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

Paying Agent

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

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**OAKLAND UNIFIED SCHOOL DISTRICT
(County of Alameda, California)**

**[\$2023A PAR]*
General Obligation Bonds (Election of 2020),
Series 2023A**

**[\$2023B PAR]*
General Obligation Bonds (Election of 2020),
Series 2023B (Federally Taxable)**

INTRODUCTION

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

General

This Official Statement, which includes the cover page and appendices hereto (this “**Official Statement**”), is provided to furnish information in connection with the sale of (i) [\$2023A PAR]* aggregate principal amount of Oakland Unified School District General Obligation Bonds (Election of 2020), Series 2023A (the “**Series 2023A Bonds**” or the “**Tax-Exempt Bonds**”), and (ii) [\$2023B PAR]* aggregate principal amount of Oakland Unified School District General Obligation Bonds (Election of 2020), Series 2023B (Federally Taxable) (the “**Series 2023B Bonds**” or the “**Taxable Bonds**” and, together with the Series 2023A Bonds, the “**Series 2023 Bonds**” or “**Bonds**”), as described more fully herein.

This Official Statement speaks only as of its date, and the information contained herein is subject to change. Oakland Unified School District (the “**District**”) has no obligation to update the information in this Official Statement, except as required by the Continuing Disclosure Certificate to be executed by the District. See “OTHER LEGAL MATTERS – Continuing Disclosure.”

The purpose of this Official Statement is to supply information to prospective buyers of the Bonds. Quotations from and summaries and explanations of the Bonds, the resolutions of the Board of Education of the District (the “**Board of Education**”) and the Board of Supervisors of the County of Alameda (the “**County**”) with respect to the Bonds, and the constitutional provisions, statutes and other documents described herein, do not purport to be complete, and reference is hereby made to said documents, constitutional provisions and statutes for the complete provisions thereof.

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

Copies of documents referred to herein and information concerning the Bonds are available from the District by contacting: Oakland Unified School District, 1011 Union Street, Oakland, California 94607, Attention: Chief Business Officer. The District may impose a charge for copying, handling and mailing such requested documents.

The District

The District is located in and is approximately coterminous with the City of Oakland, California (the “**City**”), located on the east side of the San Francisco Bay approximately seven miles from San Francisco. The District’s boundaries also include small portions of the neighboring Cities of Emeryville and Alameda. The District encompasses approximately 53.8 square miles, including a diverse economy of industry, services, health care, retail, and other commercial activity. As of January 1, 2023, the City has a population of approximately [____], and the

* Preliminary, subject to change.

County has a population of approximately [_____]. The District was unified in 1952, combining then-existing high school and elementary school districts.

[The District currently operates forty-eight elementary schools serving grades K-5, one elementary school serving grades TK-5, eleven middle schools serving grades 6-8, twelve comprehensive senior high schools serving grades 9-12, two middle/high schools serving grades 6-12, one continuation school program and two alternative school programs. Forty-three charter schools currently operate within the District's boundaries.] The District has projected enrollment for fiscal year 2023-24 of approximately 33,683 students in grades K-12, not including the students attending the charter schools. As of June 30, 2023, the District has budgeted to employ approximately 4,435.4 full-time equivalent ("FTE") employees, including 2,285.0 FTE certificated (teaching) employees, 1,636.5 FTE classified (non-teaching) employees and 513.9 management, supervisory and confidential employees. According to the adopted budget for fiscal year 2023-24, the District's budgeted fiscal year 2023-24 general fund expenditures are approximately \$802.8 million.

The District operates under the jurisdiction of the Alameda County Superintendent of Schools. The District is governed by a Board of Education consisting of seven members. The members of the Board of Education are elected by Trustee Area to four-year terms in staggered years. The Superintendent acts as the chief executive officer of the District. Dr. Kyla Johnson-Trammell has served as Superintendent since July 2017. For additional information regarding the Superintendent and the District's financial and fiscal administrative personnel, see APPENDIX B – "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET – THE DISTRICT – Superintendent and Key Personnel."

In fiscal year 2002-03, the District received an emergency loan from the State of California (the "State"). As long as the emergency loan made by the State to the District remains outstanding, a trustee appointed by the State Superintendent of Public Instruction (the "State Trustee") will monitor and review the District's operations, with the power to stay or rescind any action of the Board of Education that may affect the District's financial condition. AB 1840 (defined below) modified the State Trustee position including retitling the position to "Fiscal Oversight Trustee." For additional information regarding the recent history of the District's finances and governance and the powers of the Fiscal Oversight Trustee, see "RISK FACTORS" and APPENDIX B – "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET – THE DISTRICT – Fiscal Oversight."

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

THE BONDS

Authority for Issuance

The Series 2023 Bonds are being issued by the District and sold by the County on behalf of the District pursuant to the Constitution and laws of the State, including Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State (the "Government Code") and Chapters 1 and 1.5 of Part 10 of Division 1 of Title 1 of the Education Code of the State (the "Education Code") and other applicable provisions of law. The Series 2023 Bonds are authorized to be issued by a resolution adopted by the Board of Supervisors of the County on [October 17], 2023 (the "County Resolution"), at the request of the District by its resolution, adopted by the Board of Education of the District on [September 13], 2023 (the "District Resolution"). The Series 2023 Bonds are issued pursuant to a paying agent agreement, dated as of November 1, 2023 (the "Paying Agent Agreement"), by and between the District and U.S. Bank Trust Company, National Association, as paying agent (the "Paying Agent"), and acknowledged by the Treasurer-Tax Collector of the County of Alameda (the "County Treasurer").

Purpose of Issuance

The District received authorization to issue bonds of the District in an aggregate principal amount not to exceed \$735,000,000 to finance specific school facility construction, repair and improvement projects pursuant to an election held on November 3, 2020 (the "2020 Authorization"). The measure required approval by at least 55% of

the votes cast by eligible voters within the District and received an affirmative vote of approximately 77.7%. The Series 2023 Bonds will represent the third [and fourth] series of authorized bonds to be issued under the 2020 Authorization and will be issued to finance authorized projects. There will be \$[Remaining Authorization]* remaining unissued amount of the 2020 Authorization following the issuance of the Series 2023 Bonds.

Form and Registration

The Bonds will be issued in fully registered form only, in denominations of \$5,000 principal amount or integral multiples thereof. The Bonds will initially be registered in the name of Cede & Co., as nominee of The Depository Trust Company (“**DTC**”), New York, New York. DTC will act as securities depository of the Bonds. Purchases of Bonds under the DTC book-entry system must be made by or through a DTC participant, and ownership interests in each series of the Bonds or any transfer thereof will be recorded as entries on the books of said participants. Except in the event that use of this book-entry system is discontinued for the Bonds, beneficial owners (“**Beneficial Owners**” or “**Owners**”) will not receive physical certificates representing their ownership interests. Principal and interest will be paid by the Paying Agent to DTC, which will in turn remit such payments to its participants, for subsequent distribution to Beneficial Owners of the Bonds, as described herein. See APPENDIX G – “BOOK-ENTRY ONLY SYSTEM.”

Payment of Principal and Interest

The Bonds will be dated the date of their delivery, and bear interest at the rates set forth on the inside front cover page of this Official Statement, payable on February 1 and August 1 of each year (each, an “**Interest Payment Date**”), commencing on [February 1, 2024], computed using a year of 360 days consisting of twelve 30-day months. Each Bond authenticated and registered on any date prior to the close of business on [January 15, 2024] will bear interest from the date of their delivery. Bonds authenticated during the period between the 15th day of the calendar month immediately preceding an Interest Payment Date (the “**Record Date**”) and the close of business on that Interest Payment Date will bear interest from that Interest Payment Date. Any other Bond will bear interest from the Interest Payment Date immediately preceding the date of its authentication. If, at the time of authentication of any Bond, interest is then in default on outstanding Bonds, such Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Payment of interest on any Bond on each Interest Payment Date (or on the following business day, if the Interest Payment Date does not fall on a business day) will be made to the person appearing on the registration books of the Paying Agent as the registered Owner thereof as of the Record Date, such interest to be paid by check or draft mailed to such Owner at such Owner’s address as it appears on such registration books or at such other address as the Owner may have filed with the Paying Agent for that purpose on or before the Record Date. The Owner of an aggregate principal amount of \$1,000,000 or more of Bonds may request in writing to the Paying Agent that such Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the applicable Record Date.

Principal of the Bonds is payable on the dates set forth in the maturity schedules on the inside cover page hereof, upon surrender thereof at such office of the Paying Agent as the Paying Agent shall designate. The interest, principal and premium, if any, on the Bonds will be payable in lawful money of the United States of America from moneys on deposit in the interest and sinking fund of the District (the “**Interest and Sinking Fund**”) within the County treasury, consisting of *ad valorem* property taxes collected and held by the County Treasurer, together with any accrued interest received, upon issuance of the Bonds.

So long as all outstanding Bonds are held in book-entry form and registered in the name of a securities depository or its nominee, all payments of principal of, premium, if any, and interest on the Bonds and all notices with respect to such Bonds will be made and given, respectively, to such securities depository or its nominee and not to Beneficial Owners. So long as the Bonds are held by Cede & Co., as nominee of DTC, payment will be made by wire transfer.

* Preliminary, subject to change.

Redemption*

Optional Redemption of Series 2023A Bonds. The Series 2023A Bonds maturing on or before August 1, 20__, are not subject to optional redemption prior to their respective stated maturity dates. The Series 2023A Bonds maturing on or after August 1, 20__, are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part on any date, on or after August 1, 20__, at a redemption price equal to 100% of the principal amount of Series 2023A Bonds to be redeemed, without premium, together with interest accrued thereon to the date fixed for redemption.

Optional Redemption of Series 2023B Bonds. The Series 2023B Bonds are not subject to optional redemption prior to maturity.

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

Mandatory Sinking Fund Redemption Date (August 1)	Principal Amount to be Redeemed
†	
† Maturity.	

Mandatory Sinking Fund Redemption of Series 2023B Bonds. The Series 2023B Bonds are not subject to mandatory sinking fund redemption prior to maturity.

The principal amount to be redeemed in each year shown in the table above will be reduced at the option of the District, in integral multiples of \$5,000, by the amount of such Term Bond optionally redeemed prior to the mandatory sinking fund redemption date, if any.

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

Selection of Bonds for Redemption. If less than all of a series of the Bonds are called for redemption, the Bonds will be redeemed in inverse order of maturities or as otherwise directed by the District. If less than all of the Bonds of any given maturity are called for redemption, the portions of such Bonds of a given maturity to be redeemed will be determined by lot. For purposes of such selection, each Bond will be deemed to consist of individual Bonds of denominations of \$5,000 principal amount each, which may be separately redeemed.

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

Each notice of redemption shall contain all of the following information: (i) the date of such notice; (ii) the name of the affected Bonds and the date of issue of the Bonds; (iii) the date fixed for redemption; (iv) the redemption price; (v) the dates of maturity of the Bonds to be redeemed; (vi) if less than all of the then outstanding Bonds are to

* Preliminary, subject to change.

be redeemed, the distinctive serial numbers of the Bonds of each maturity to be redeemed; (vii) in the case of Bonds redeemed in part only, the respective portions of the principal amount of the Bonds of each maturity to be redeemed; (viii) the CUSIP number, if any, of each maturity of Bonds to be redeemed; (ix) a statement that such Bonds must be surrendered by the Owners at the office of the Paying Agent designated by the Paying Agent for such purpose; (x) notice that further interest on such Bonds will not accrue after the designated redemption date; and (xi) in the case of a conditional notice, that such notice is conditioned upon certain circumstances and the manner of rescinding such conditional notice. The actual receipt by any Owner of any Bond of notice of such redemption will not be a condition precedent to redemption, and failure to receive such notice, or any defect in the notice given, will not affect the validity of the proceedings for the redemption of such Bonds or the cessation of interest on the date fixed for redemption.

Effect of Notice of Redemption. When notice of redemption has been given substantially as provided for in the Paying Agent Agreement, and when the redemption price of the Bonds called for redemption is set aside for the purpose as described in the Paying Agent Agreement, the Bonds designated for redemption will become due and payable on the specified redemption date and interest will cease to accrue thereon as of the redemption date, and upon presentation and surrender of such Bonds at the place specified in the notice of redemption, such Bonds will be redeemed and paid at the redemption price thereof out of the money provided therefor. The Owners of such Bonds so called for redemption after such redemption date will look for the payment of such Bonds and the redemption premium thereon, if any, only to moneys on deposit for the purpose in the Interest and Sinking Fund of the District or the escrow fund established for such purpose. All Bonds redeemed will be cancelled forthwith by the Paying Agent and will not be reissued.

Conditional Notice. Any notice of optional redemption delivered in accordance with the Paying Agent Agreement may be conditioned on any fact or circumstance stated therein, and if such condition will not have been satisfied on or prior to the redemption date stated in such notice, said notice will be of no force and effect on and as of the stated redemption date, the redemption will be cancelled, and the District will not be required to redeem the Bonds that were the subject of the notice. The Paying Agent will give notice of such cancellation and the reason therefor in the same manner in which notice of redemption was originally given. The actual receipt by the Owner of any Bond of notice of such cancellation will not be a condition precedent to cancellation, and failure to receive such notice or any defect in such notice will not affect the validity of the cancellation.

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

Defeasance of Bonds

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

If at any time the District pays or causes to be paid or there shall otherwise be paid to the Owners of any or all outstanding Bonds all of the principal, interest and premium, if any, represented by such Bonds when due, or as described above, or as otherwise provided by law, then such Owners shall cease to be entitled to the obligation of the County to levy and collect taxes to pay the Bonds and such obligation and all agreements and covenants of the District and of the County to such Owners under the Paying Agent Agreement and the Bonds shall thereupon be

satisfied and discharged and shall terminate, except only that the District will remain liable for payment of all principal, interest and redemption premium, if any, represented by the Bonds, but only out of moneys on deposit in the Interest and Sinking Fund or otherwise held in trust for such payment, provided, that the unclaimed moneys provisions described below shall apply in all events.

Unclaimed Moneys

Any money held in any fund created pursuant to the Paying Agent Agreement, or held by the Paying Agent in trust, for the payment of the principal of, redemption premium, if any, or interest on the Bonds and remaining unclaimed for two years after the principal of all of the Bonds has become due and payable (whether by maturity or upon prior redemption) will be transferred to the Interest and Sinking Fund for payment of any outstanding bonds of the District payable from said fund; or, if no such bonds of the District are at such time outstanding, said moneys shall be transferred to the general fund of the District (the “**General Fund**”) as provided and permitted by law.

[Bond Insurance

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

For additional considerations regarding [] and the Policy, see “MISCELLANEOUS – Ratings.”]

Application of Series 2023 Bond Proceeds

The proceeds from the sale of the Series 2023 Bonds, exclusive of any premium and accrued interest received, if any, will be deposited in the County treasury to the credit of the building fund of the District (the “**Building Fund**”). Any premium or accrued interest received will be deposited in the Interest and Sinking Fund in the County treasury. Earnings on the investment of moneys in either fund will be retained in that fund and used only for the purposes to which that fund may lawfully be applied. Moneys in the Building Fund may only be applied for the purposes for which the Series 2023 Bonds were approved. Moneys in the Interest and Sinking Fund may only be applied to make payments of interest, principal, and premium, if any, on bonds of the District.

A portion of the proceeds of the Series 2023 Bonds will be retained by the Paying Agent in a Costs of Issuance Fund and used to pay costs associated with the issuance of the Series 2023 Bonds. All funds held by the County Treasurer under the District Resolution, the County Resolution and the Paying Agent Agreement will be invested in the County Treasurer’s investment pool, the State Treasurer’s Local Agency Investment Fund, or any investment authorized pursuant to Sections 53601 and 53635 of the Government Code, all pursuant to law and the investment policy of the County. At the written direction of the District, all or any portion of the Building Fund may be invested in the Local Agency Investment Fund in the treasury of the State, and all or any portion of the Building Fund may be invested on behalf of the District in investment agreements, including guaranteed investment contracts, which comply with the requirements of Section 148 of the Internal Revenue Code of 1986 (the “**Code**”) and the requirements of each rating agency then rating the Bonds (if any) necessary to maintain the then-current rating on the Bonds. See APPENDIX F – “COUNTY OF ALAMEDA ANNUAL INVESTMENT POLICY AND INVESTMENT REPORT.”

ESTIMATED SOURCES AND USES OF FUNDS

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

	Series 2023A Bonds	Series 2023B Bonds	Total
Sources of Funds			
Par Amount			
[Net] Original Issue Premium			
Total Sources of Funds:			
Uses of Funds			
Deposit to Building Fund			
Deposit to Interest and Sinking Fund			
Costs of Issuance ⁽¹⁾			
Underwriters' Discount			
Total Uses of Funds:			

⁽¹⁾ Includes fees for Bond Counsel, Disclosure Counsel, Municipal Advisor, Paying Agent, [Bond Insurance premium], printing, rating agency, and other miscellaneous expenses.

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DEBT SERVICE SCHEDULES

Semi-Annual Debt Service Payments for the Bonds

The following table shows the semi-annual debt service requirements of the Bonds, assuming no early redemptions:

<u>Period Ending</u>	<u>Series 2023A Bonds</u>		<u>Series 2023B Bonds</u>		<u>Total Debt Service</u>
	Principal	Interest	Principal	Interest	
2/1/2024					
8/1/2024					
2/1/2025					
8/1/2025					
2/1/2026					
8/1/2026					
2/1/2027					
8/1/2027					
2/1/2028					
8/1/2028					
2/1/2029					
8/1/2029					
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2/1/2046					
8/1/2046					
2/1/2047					
8/1/2047					
2/1/2048					
8/1/2048					
2/1/2049					
8/1/2049					
2/1/2050					
8/1/2050					
2/1/2051					
8/1/2051					
Total	_____	_____	_____	_____	_____

Combined Annual Debt Service

In addition to the Bonds, the District has other outstanding series of bonds that are on parity with the Bonds. See APPENDIX B – “INFORMATION RELATING TO THE DISTRICT’S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS – District Debt Structure.” Prior to issuance of the Bonds, annual debt service obligations for all outstanding bonds of the District, including the Bonds (assuming no optional redemptions prior to maturity) are expected to be as follows:

<u>Period Ending (August 1)</u>	<u>Outstanding Bonds⁽¹⁾</u>	<u>Series 2023A Bonds</u>	<u>Series 2023B Bonds</u>	<u>Total Annual Debt Service</u>
2024	\$99,157,113.76			
2025	98,664,919.02			
2026	93,996,908.92			
2027	82,275,896.66			
2028	83,152,961.98			
2029	85,125,401.06			
2030	86,810,727.02			
2031	78,478,282.22			
2032	67,635,965.62			
2033	68,039,994.82			
2034	67,057,464.90			
2035	52,902,028.00			
2036	54,167,114.30			
2037	55,421,077.50			
2038	56,611,399.26			
2039	48,651,051.26			
2040	49,409,072.00			
2041	19,073,850.00			
2042	15,484,800.00			
2043	15,818,200.00			
2044	15,703,000.00			
2045	15,990,800.00			
2046	16,244,800.00			
Total	\$1,325,872,828.30			

⁽¹⁾ Debt service on the District’s Taxable General Obligation Bonds (Election of 2006, Series 2009C) Qualified School Construction Bonds (Tax Credit Bonds) and the District’s Taxable General Obligation Bonds (Election of 2006, Series 2012B) (Qualified School Construction Bonds) reflects debt service net of subsidy based on current sequestration rates and scheduled sinking fund deposits by the District (rather than payments to bondholders).

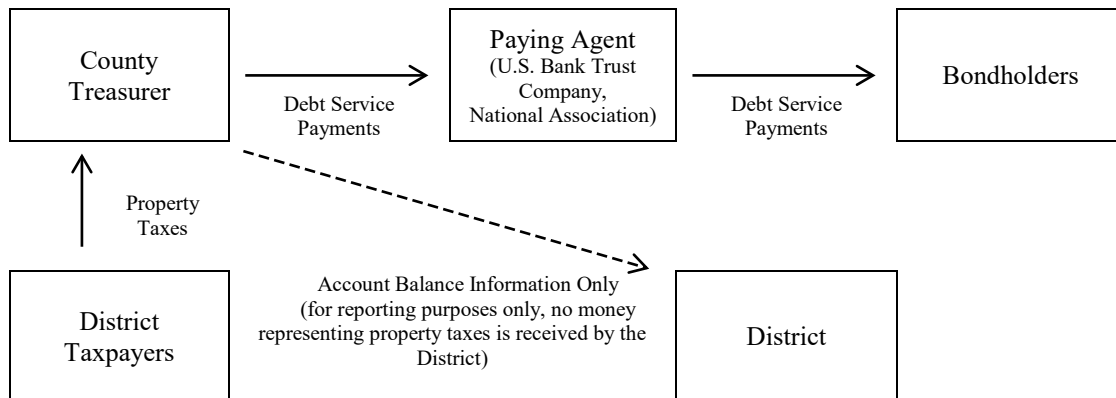
SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

General

In order to provide sufficient funds for repayment of principal and interest when due on a school district's bonds, the board of supervisors of the county, the superintendent of schools of which has jurisdiction over such school district, is empowered and is obligated to levy *ad valorem* taxes upon all property subject to taxation by such school district, without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates). Such taxes are in addition to other taxes levied upon property within the school district. The assessor of the county in which the school district lies must annually certify to the board of supervisors the assessed value of all taxable property in the county situated in the school district. The board of supervisors must levy upon the property of the school district within its own county the rate of tax that will be sufficient to raise not less than the amount needed to pay the interest and any portion of the principal of the bonds that is to become due during the year.

Accordingly, the Board of Supervisors of the County must levy upon the property of the District the rate of tax that will be sufficient to provide sufficient funds for repayment of principal and interest when due on the Bonds. When collected, the tax revenues will be deposited in the District's Interest and Sinking Fund, which is required to be maintained by the County and to be used solely for the payment of bonds of the District. Moneys in the Interest and Sinking Fund will be invested on behalf of the District in any one or more investments generally permitted for school districts authorized pursuant to Section 53601 *et seq.* or Section 53635 *et seq.* of the California Government Code by the County Treasurer, and consistent with the investment policy of the County. See APPENDIX F – "COUNTY OF ALAMEDA ANNUAL INVESTMENT POLICY AND INVESTMENT REPORT."

The following diagram illustrates the flow of property taxes from District taxpayers to the Interest and Sinking Fund, and from there to bondholders.



Statutory Lien on Taxes (Senate Bill 222)

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

Pledge of and Lien on Tax Revenues

Pursuant to the District Resolution, the District pledges, and grants a lien or and security interest in, all revenues from the property taxes collected from the levy by the Board of Supervisors of the County with respect to

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

“District Bonds” means all bonds, including refunding bonds, of the District heretofore or hereafter issued pursuant to voter-approved measures of the District, including bonds approved by the voters of the District pursuant to Measure C (approved by the voters at an election duly called and regularly held in the District on November 8, 1994, authorizing the issuance of \$169,730,000 in bonds), Measure A (approved by the voters at an election duly called and regularly held in the District on March 7, 2000, authorizing the issuance of \$303,000,000 in bonds), Measure B (approved by the voters at an election duly called and regularly held in the District on June 6, 2006, authorizing the issuance of \$435,000,000 in bonds), Measure J (approved by the voters at an election duly called and regularly held in the District on November 6, 2012, authorizing the issuance of \$475,000,000 in bonds), and Measure Y, approved by the voters pursuant to the 2020 Authorization.

Property Taxation System

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

Local property taxation is the responsibility of various county officers. For each school district located in a county, the county assessor computes the value of locally assessed taxable property. Based on the assessed value of property and the scheduled debt service on outstanding bonds in each year, the county auditor-controller computes the rate of tax necessary to pay such debt service, and presents the tax rolls (including rates of tax for all taxing jurisdictions in the county) to the county board of supervisors for approval. The county treasurer and tax collector prepares and mails tax bills to taxpayers and collects the taxes. In addition, the county treasurer and tax collector, as *ex officio* treasurer of each school district located in the county, holds school district funds, including taxes collected for payment of school bonds, and is charged with payment of principal and interest on the bonds when due.

As mandated by law, the County Treasurer has sole responsibility for the levy and collection of the tax imposed to pay the principal of and interest on the District’s bonds. Pursuant to State law, the proceeds of the tax levy are never in the custody of the District or available for any other purpose, and are at all times segregated from the operating revenues of the District. The District has no role in the process of taxation and payment of the District’s bonds. Although the District may have legal authority to supplement the payments on its bonds by transferring operating revenues to the Interest and Sinking Fund administered by the County Treasurer, there is no statutory obligation that the District uses its operating revenues to support its bonds in this way. It should not be inferred that the principal of or interest on the Bonds is payable from the District’s General Fund or from State revenues.

Assessed Valuation of Property Within the District

All property (real, personal and intangible) is taxable unless an exemption is granted by the State Constitution or United States law. Under the State Constitution, exempt classes of property include household and personal effects, intangible personal property (such as bank accounts, stocks and bonds), business inventories, and property used for religious, hospital, scientific and charitable purposes. The State Legislature may create additional exemptions for personal property, but not for real property. Most taxable property is assessed by the assessor of the

county in which the property is located. Some special classes of property are assessed by the State Board of Equalization (the “**Board of Equalization**”).

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

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

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

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The following table shows the assessed valuation of the various classes of property in the District for recent fiscal years.

**Oakland Unified School District
(County of Alameda, California)
Assessed Valuations of Secured and Unsecured Property
Fiscal Years 2009-10 through 2023-24**

Fiscal Year	Local Secured	Utility	Unsecured	Total	% Change
2009-10	\$36,970,846,568	\$20,111,731	\$2,411,540,443	\$39,402,498,742	-
2010-11	35,395,239,449	17,942,547	2,713,192,555	38,126,374,551	(3.24)%
2011-12	35,751,945,435	19,640,604	2,727,442,229	38,499,028,268	0.98
2012-13	36,271,770,017	16,985,541	2,892,634,324	39,181,389,882	1.77
2013-14	37,502,395,457	16,319,551	2,833,029,883	40,351,744,891	2.99
2014-15	40,091,358,068	15,070,688	2,809,510,293	42,915,939,049	6.35
2015-16	44,159,989,483	20,517,048	2,822,888,936	47,003,395,467	9.52
2016-17	47,249,996,605	24,317,524	3,004,666,994	50,278,981,123	6.97
2017-18	51,172,486,419	19,326,302	2,671,638,336	53,863,451,057	7.13
2018-19	54,758,322,398	16,660,059	2,781,400,956	57,556,383,413	6.86
2019-20	59,247,570,880	16,678,982	2,919,350,643	62,183,600,505	8.04
2020-21	65,438,862,473	16,367,268	3,210,617,613	68,665,847,354	10.42
2021-22	69,492,884,815	48,671,025	3,476,201,031	73,017,756,871	6.34
2022-23	75,529,094,708	26,783,669	3,616,722,367	79,172,600,744	8.43
2023-24					

Source: California Municipal Statistics, Inc.

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

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

The second type of appeal, commonly referred to as a Proposition 8 appeal (which Proposition 8 was approved by the voters in November 1978), can result if factors occur causing a decline in the market value of the property to a level below the property’s then-current taxable value (escalated base year value). Pursuant to State law, a property owner may apply for a Proposition 8 reduction of the property tax assessment for such owner’s property by filing a written application, in the form prescribed by the State Board of Equalization, with the appropriate county board of equalization or assessment appeals board. A property owner desiring a Proposition 8 reduction of the assessed value of such owner’s property in any one year must submit an application to the county assessment appeals board (the “**Appeals Board**”). Following a review of the application by the county assessor’s office, the county assessor may offer to the property owner the opportunity to stipulate to a reduced assessment, or may confirm the assessment. If no stipulation is agreed to, and the applicant elects to pursue the appeal, the matter is brought before the Appeals Board (or, in some cases, a hearing examiner) for a hearing and decision. The Appeals Board generally is required to determine the outcome of appeals within two years of each appeal’s filing date. Any reduction in the

assessment ultimately granted applies only to the year for which application is made and during which the written application is filed. The assessed value increases to its pre-reduction level (escalated to the inflation rate of no more than 2%) following the year for which the reduction application is filed. However, the county assessor has the power to grant a reduction not only for the year for which application was originally made, but also for the then-current year and any intervening years as well. In practice, such a reduced assessment may and often does remain in effect beyond the year in which it is granted.

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

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

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

Risk of Decline in Property Values; Earthquake Risk. Property values could be reduced by factors beyond the District's control, including an earthquake, or a depressed real estate market due to general economic conditions in the County, the region, and the State.

The District is located in a seismically active region. Active earthquake faults underlie both the District and the surrounding Bay Area. Three major earthquake faults that comprise the San Andreas fault system extend through the Bay Area, including the San Andreas fault, the Hayward fault, and the Calaveras fault. On August 24, 2014, an earthquake occurred in Napa, California. The tremor's epicenter was located approximately 3.7 miles northwest of American Canyon near the West Napa Fault and registered 6.0 on the Richter scale of earthquake intensity. The Napa earthquake caused fires, damaged buildings and roads, and injured approximately 200 people. The Napa earthquake was the largest earthquake in the Bay Area since the 1989 Loma Prieta earthquake on the San Andreas Fault, which was centered about 60 miles south of Oakland and registered 6.9 on the Richter scale of earthquake intensity. The Loma Prieta earthquake caused fires and collapses of, and structural damage to, buildings, highways and bridges in the Bay Area.

In August 2016, the 2014 Working Group on California Earthquake Probabilities (a collaborative effort of the United States Geological Survey, the California Geological Society and the Southern California Earthquake Center) issued a revised report that states there is a 72% chance that one or more earthquakes of magnitude 6.7 or larger will occur in the Bay Area before the year 2043. Such earthquakes may be very destructive. Property within the District could sustain extensive damage in a major earthquake, and a major earthquake could adversely affect the area's economic activity.

Other possible causes for a reduction in assessed values include the complete or partial destruction of taxable property caused by other natural or manmade disasters, such as flood, fire, drought, toxic dumping, acts of terrorism, etc., or reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable, or religious purposes). Lower assessed values could necessitate a corresponding increase in the annual tax rate to be levied to pay the principal of and interest on the Bonds. Issuance of additional bonds in the future might also cause the tax rate to increase.

Drought. In recent years the State has experienced severe drought conditions. In January 2014, the Governor declared a Statewide Drought State of Emergency due to the State facing serious water shortfalls due to the driest year in recorded history in the State and the resultant record low levels measured in State rivers and reservoirs. The California

State Water Resources Control Board (the “State Water Board”) subsequently issued a Statewide notice of water shortages and potential future curtailment of water right diversions. In April 2017, the Governor of the State lifted the drought emergency declaration, while retaining a prohibition on wasteful practices and advancing conservation measures.

On March 5, 2021, the Secretary of the United States Department of Agriculture designated 50 of 58 counties in California, as primary natural disaster areas due to drought. On April 21, 2021, the Governor issued a drought emergency proclamation (the “**April Drought Proclamation**”) which applied to two counties within the State. On May 10, 2021, the Governor declared a State of Emergency due to the State facing serious water shortfalls, and ordered State and local agency implementation of certain provisions to adequately respond to drought conditions, significantly expanding the April Drought Proclamation to 41 counties within the State. On July 8, 2021, the Governor expanded the declaration further to include an additional nine counties in the State. On October 19, 2021, the Governor extended the declaration to include the remaining counties such that the drought state of emergency was then in effect Statewide. However, increased rainfall in late 2022 and early 2023 led to the rescission of certain of these restrictions, including in the County, as described in the following section “– *2022-23 Winter Storms.*”

It is not possible for the District to make any representation regarding the extent to which drought conditions could cause reduced economic activity within the boundaries of the District or the extent to which drought conditions may impact District facilities or the assessed value of taxable property within the District.

2022-23 Winter Storms. California experienced an unexpected increase in the amount of winter storms and increased rainfall and snowpack, leading to an unseasonably wet winter in late 2022 and early 2023, which impacted communities across the State (the “**2022-23 Winter Storms**”). The increased rainfall caused by the 2022-23 Winter Storms has eased drought conditions across the State considerably. Accordingly, in March 2023, the Governor rescinded some of the State’s drought restrictions. In addition, in January 2023, the Governor announced an extension of its tax filing deadline for residents and businesses in counties which were impacted by the 2022-23 Winter Storms and the resulting mudslides and flooding (the “**2023 Winter Storm Tax Extension**”). Most counties in the State were included in the 2023 Winter Storm Tax Extension, such that certain individual and business tax payments which would have typically been due at various times between January and September 2023 are now due on October 16, 2023. The potential results of this extension on the 2023-24 State budget are discussed in APPENDIX B – “INFORMATION RELATING TO THE DISTRICT’S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS – State Funding of Education; State Budget Process – *2023-24 State Budget.*”

It is not possible for the District to make any representation regarding the extent to which the 2022-23 Winter Storms or any future winter storms, or related increased rainfall, mudslides or flooding conditions, could cause reduced economic activity within the boundaries of the District or the extent to which such conditions may impact District facilities or the assessed value of taxable property within the District.

Risk of Wildfire. In recent years, portions of the State, including the County and adjacent counties, have experienced wildfires that have burned millions of acres and destroyed thousands of homes and structures. Property damage due to wildfire could result in a significant decrease in the assessed value of property in the District. It is not possible for the District to make any representation regarding the extent to which wildfires could cause reduced economic activity within the boundaries of the District or the extent to which wildfires may impact the value of taxable property within the District.

In October 1991, a firestorm on the hillsides of northern Oakland and southeastern Berkeley burned 1,520 acres and destroyed over two thousand single-family homes and hundreds of apartment and condominium units. The economic loss from the fire was estimated at \$1.5 billion.

Risk of Sea Level Changes and Flooding. In May 2009, the California Climate Change Center released a final paper, for informational purposes only, which was funded by the California Energy Commission, the California Environmental Protection Agency, the Metropolitan Transportation Commission, the California Department of Transportation and the California Ocean Protection Council and titled “The Impacts of Sea-Level Rise on the California Coast.” The paper posits that increases in sea level will be a significant consequence of climate change over the next century. The paper evaluated the population, infrastructure, and property at risk from projected sea-level rise if no actions are taken to protect the coast. The paper concluded that significant property in the State is at risk of flooding as a result of a 1.4 meter sea level rise. The paper further estimates that the replacement value of this

property totals nearly \$100 billion (in year 2000 dollars). The District may be particularly vulnerable to impacts associated with sea level rise due to development on its coastline. A wide range of critical infrastructure, such as roads, airports, hospitals, schools, emergency facilities, wastewater treatment plants, power plants, and wetlands is also vulnerable. Continued development in vulnerable areas will put additional assets at risk and raise protection costs.

The District is unable to predict whether sea level rise or other impacts of climate change or flooding from a major storm will occur, when they may occur, and if any such events occur, whether they will have a material adverse effect on the financial condition of the District and the local economy.

Bonding Capacity. As a unified school district, the District may issue bonds in an amount up to 2.5% of the assessed valuation of taxable property within its boundaries. The District’s gross bonding capacity (also commonly referred to as the “bonding limit” or “debt limit”) is approximately \$[.] billion and its net bonding capacity is approximately \$[.] million, prior to the issuance of the Bonds. Refunding bonds may be issued without regard to this limitation; however, once issued, the outstanding principal of any refunding bonds is included when calculating the District’s bonding capacity.

Assessed Valuation by Jurisdiction. The following table describes the percentage and value of the total assessed valuation of property within the District’s boundaries for fiscal year 2023-24.

**Oakland Unified School District
(County of Alameda, California)
2023-24 Assessed Valuation by Jurisdiction**

<u>Jurisdiction:</u>	<u>Assessed Valuation in District</u>	<u>% of District</u>	<u>Assessed Valuation of Jurisdiction</u>	<u>% of Jurisdiction in District</u>
City of Alameda	\$	%	\$	%
City of Emeryville				%
City of Oakland				%
Total District	\$	%		
Alameda County	\$	%	\$	%

Source: California Municipal Statistics, Inc.

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Assessed Valuation by Land Use. The following table shows a distribution of taxable property located in the District on the fiscal year 2023-24 tax roll by principal purpose for which the land is used, and the assessed valuation and number of parcels for each use.

**Oakland Unified School District
(County of Alameda, California)
2023-24 Local Secured Assessed Valuation and Parcels by Land Use**

	2023-24 <u>Assessed Valuation</u> ⁽¹⁾	% of <u>Total</u>	<u>No. of Parcels</u>	% of <u>Total</u>	<u>No. of Taxable Parcels</u>	% of <u>Total</u>
<u>Non-Residential:</u>						
Commercial/Office	\$	%		%		%
Vacant Commercial						
Industrial						
Vacant Industrial						
Recreational						
Government/Social/Institutional						
Subtotal Non-Residential	\$	%		%		%
<u>Residential:</u>						
Single Family Residence	\$	%		%		%
Condominium/Townhouse						
Mobile Home						
2-4 Residential Units						
5+ Residential Units/Apartments						
Residential-Miscellaneous Uses						
Vacant Residential						
Subtotal Residential	\$	%		%		%
Total	\$	%		%		%

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

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Assessed Valuation of Single-Family Homes. The following table shows the assessed valuation of single-family homes in the District for fiscal year 2023-24, including the median and mean assessed valuation per parcel.

**Oakland Unified School District
(County of Alameda, California)
Per Parcel 2023-24 Assessed Valuation of Single-Family Homes**

Single-Family Residential	No. of Parcels	2023-24 Assessed Valuation		Average Assessed Valuation	Median Assessed Valuation	
		\$		\$	\$	
2023-24 Assessed Valuation	No. of Parcels ⁽¹⁾	% of Total	Cumulative % of Total	Total Valuation	% of Total	Cumulative % of Total
\$0 - \$49,999		%	%	\$	%	%
\$50,000 - \$99,999						
\$100,000 - \$149,999						
\$150,000 - \$199,999						
\$200,000 - \$249,999						
\$250,000 - \$299,999						
\$300,000 - \$349,999						
\$350,000 - \$399,999						
\$400,000 - \$449,999						
\$450,000 - \$499,999						
\$500,000 - \$549,999						
\$550,000 - \$599,999						
\$600,000 - \$649,999						
\$650,000 - \$699,999						
\$700,000 - \$749,999						
\$750,000 - \$799,999						
\$800,000 - \$849,999						
\$850,000 - \$899,999						
\$900,000 - \$949,999						
\$950,000 - \$999,999						
\$1,000,000-and greater		%		\$	%	

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

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Largest Taxpayers in District. The twenty taxpayers with the greatest combined ownership of taxable property in the District on the fiscal year 2023-24 tax roll, and the assessed valuation of all property owned by those taxpayers in all taxing jurisdictions within the District, are shown below.

**Oakland Unified School District
(County of Alameda, California)
Largest 2023-24 Local Secured Taxpayers**

	<u>Property Owner</u>	<u>Primary Land Use</u>	<u>2023-24 Assessed Valuation</u>	<u>% of Total⁽¹⁾</u>
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				
11.				
12.				
13.				
14.				
15.				
16.				
17.				
18.				
19.				
20.				

⁽¹⁾ 2023-24 local secured assessed valuation, excluding tax-exempt property: \$[Local Secured AV].
Source: California Municipal Statistics, Inc.

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

Tax Rates

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

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

Typical Tax Rate Area. The following table shows *ad valorem* property tax rates for the last five fiscal years in a typical Tax Rate Area of the District (TRA 17-001). TRA 17-001 comprises approximately [__.] % of the total fiscal year 2023-24 assessed value of the District.

**Oakland Unified School District
(County of Alameda, California)
Typical Tax Rates per \$100 of Assessed Valuation
(TRA 17-001)**

	2019-20	2020-21	2021-22	2022-23	2023-24 ⁽¹⁾
General	\$1.0000	\$1.0000	\$1.0000		
Alameda County Bonds	0.0108	0.0036	0.0041		
Oakland Unified School District Bonds	0.1168	0.1084	0.1202		
Peralta Community College District Bonds	0.0257	0.0452	0.0407		
Bay Area Rapid Transit District Bonds	0.0120	0.0139	0.0060		
East Bay Municipal Utility District Bonds	-	-	-		
East Bay Regional Park District Bonds	0.0060	0.0014	0.0020		
City of Oakland	0.1975	0.2012	0.2011		
Total	\$1.3688	\$1.3737	\$1.3741		

⁽¹⁾ 2023-24 assessed valuation of TRA 17-001 is \$[TRA AV].

Source: California Municipal Statistics, Inc.

Tax Charges and Delinquencies

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

The county treasurer and tax collector prepares the property tax bills. Property taxes on the regular secured assessment roll are due in two equal installments: the first installment is due on November 1, and becomes delinquent after December 10. The second installment is due on February 1 and becomes delinquent after April 10. If taxes are not paid by the delinquent date, a 10% penalty attaches and a \$23 cost is added to unpaid second installments. If taxes remain unpaid by June 30, the tax is deemed to be in default, and a \$15 state redemption fee applies. Interest then begins to accrue at the rate of 1.5% per month. The property owner has the right to redeem the property by paying the taxes, accrued penalties, and costs within five years of the date the property went into default. If the property is not redeemed within five years, it is subject to sale at a public auction by the county treasurer.

Annual bills for property taxes on the unsecured roll are generally issued in July, are due in a single payment within 30 days, and become delinquent after August 31. A 10% penalty attaches to delinquent taxes on property on the unsecured roll, and an additional penalty of 1.5% per month begins to accrue on November 1. To collect unpaid taxes, the county treasurer may obtain a judgment lien upon and cause the sale of all property owned by the taxpayer in the county, and may seize and sell personal property, improvements and possessory interests of the taxpayer. The county treasurer may also bring a civil suit against the taxpayer for payment.

The date on which taxes on supplemental assessments are due depends on when the supplemental tax bill is mailed. The following table shows a recent history of secured property tax collections and delinquencies in the District for its general obligation bond debt service levy.

Property tax delinquencies may be impacted by economic and other factors beyond the District’s control, including the ability or willingness of property owners to pay property taxes during an economic recession or depression. An economic recession or depression could be caused by many factors outside the control of the District, including high interest rates, reduced consumer confidence, reduced real wages or reduced economic activity as a result a pandemic or natural or manmade disaster, such as earthquake, drought, flood, fire, toxic dumping. It is not

possible for the District to make any representation regarding the extent to which an economic recession or depression could impact the ability or willingness of property owners within the District to pay property taxes in the future. If delinquencies increase substantially as a result of the unprecedented events of the COVID-19 pandemic or other events outside the control of the District, the County does have the authority to increase allowances for annual reserves in the tax levy to avoid fluctuating tax levies. Annual reserves can be used towards debt service where tax collections are insufficient to pay such debt service.

The County does not anticipate an impact to the cash flow for any of the school districts within the County, including cash flow for any bond payments. The District cannot predict the extent of delinquencies and delayed tax collections, or the resulting impact on the District’s financial condition or operations. The County has adopted the Teeter Plan (defined herein), but does not apply the Teeter Plan to school district general obligation bond tax levies, according to which the County distributes to the District the amount actually collected rather than the amount levied on the secured and supplemental tax rolls. See “– *Teeter Plan – Not Applicable*” below. There can be no assurances that the County will always have sufficient funds available to distribute the full amount of the District’s share of property tax collections to the District. However, State law requires the County to levy *ad valorem* property taxes sufficient to pay the Bonds when due.

The following table shows a recent history of secured property tax collections and delinquencies in the District for its general obligation bond debt service and parcel tax levy.

**Oakland Unified School District
(County of Alameda, California)
Tax Collections and Delinquencies for Fiscal Years 2013-14 through 2022-23**

Fiscal Year	Secured Tax Charge ⁽¹⁾	Amount Delinquent (June 30)	% Delinquent on General Obligation Bond Levy
2013-14	\$86,661,775.17	\$1,756,630.10	2.03%
2014-15	89,995,251.27	1,701,850.25	1.89
2015-16	87,406,965.12	1,750,932.72	2.00
2016-17	86,013,423.84	1,836,778.97	1.81
2017-18	95,236,060.05	1,820,737.05	1.49
2018-19	108,053,225.18	2,058,557.04	1.50
2019-20	113,170,487.30	2,452,371.56	1.77
2020-21	114,843,719.10	2,258,138.63	1.56
2021-22	128,152,182.93	2,514,829.30	1.74
2022-23			

⁽¹⁾ District’s general obligation bond and parcel tax levies.

Source: California Municipal Statistics, Inc.

Teeter Plan – Not Applicable. While the Board of Supervisors of the County has approved implementation of the Teeter Plan, the County does not apply the Teeter Plan to school district general obligation bond tax levies. Consequently, for taxes levied in the County to pay debt service on the Bonds, the District will receive actual collections (including penalties and interest) for that purpose, rather than the amount levied. However, the Teeter Plan does apply to the District’s share of the 1% Countywide property tax levy.

For counties that have approved its implementation, the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the “**Teeter Plan**”) authorized by Sections 4701-4717 of the State Revenue & Taxation Code guarantees distribution of all *ad valorem* taxes levied to the taxing entities within a county, with the county retaining all penalties and interest affixed upon delinquent properties and redemptions of subsequent collections. The purpose of utilizing the Teeter Plan is to simplify the tax-levying and tax-apportioning process and to provide increased flexibility to counties in the use of available cash resources.

The county cash position is protected by a special fund, known as the “Tax Loss Reserve Fund,” which accumulates moneys from interest and penalty collections. In each fiscal year, the Tax Loss Reserve Fund is required to be funded to the amount of delinquent taxes plus 1% of that year’s tax levy. Amounts exceeding the amount

required to be maintained in the tax loss reserve fund may be credited to the county's general fund. Amounts required to be maintained in the tax loss reserve fund may be drawn on to the extent of the amount of uncollected taxes credited to each agency in advance of receipt.

The Teeter Plan is to remain in effect unless the county board of supervisors orders its discontinuance or unless, prior to the commencement of any fiscal year of the county (which commences on July 1), the board of supervisors receives a petition for its discontinuance from two-thirds of the participating revenue districts in the county. The board of supervisors may also, after holding a public hearing on the matter, discontinue the procedures with respect to any tax levying agency or assessment levying agency in the county if the rate of secured tax delinquency in that agency in any year exceeds 3% of the total of all taxes and assessments levied on the secured rolls in that agency.

Direct and Overlapping Debt

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

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

**Oakland Unified School District
(County of Alameda, California)
Direct and Overlapping Bonded Debt**

2023-24 Assessed Valuation: \$[2023-24 AV]

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 10/1/23</u>
Alameda County	%	\$
Bay Area Rapid Transit District	(1)	
East Bay Regional Park District	(1)	
Chabot-Las Positas Community College District	(1)	
Peralta Community College District		
Oakland Unified School District		(2)
City of Oakland		
City of Oakland 1915 Act Bonds		
City of Emeryville 1915 Act Bonds		
City of Piedmont 1915 Act Bonds		
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		\$

<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>		
Alameda County General Fund Obligations	%	\$
Alameda-Contra Costa Transit District Certificates of Participation		
Peralta Community College District Pension Obligation Bonds		
Oakland Unified School District Lease Revenue Bonds		(3)
City of Emeryville General Fund Obligations		
City of Oakland General Fund Obligations		
City of Oakland Pension Obligation Bonds		
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT		

OVERLAPPING TAX INCREMENT DEBT (Successor Agency):

COMBINED TOTAL DEBT (4)

Ratios to 2023-24 Assessed Valuation:

Direct Debt (\$ _____)	%
Total Direct and Overlapping Tax and Assessment Debt.....	%
Combined Direct Debt (\$ _____)	%
Combined Total Debt	%

Ratios to Redevelopment Incremental Valuation (\$ _____):

Total Overlapping Tax Increment Debt.....	%
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(1) 2022-23 ratios.

(2) Excludes the Bonds to be sold.

(3) State School Fund Apportionment, Refunding Series 2008 issued by California Infrastructure and Economic Development Bank.

(4) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Source: California Municipal Statistics, Inc.

BOND INSURANCE*

[Bond Insurance Policy]

Concurrently with the issuance of the Bonds, [] will issue its Policy for the Insured Bonds. The Policy guarantees the scheduled payment of principal of and interest on the Insured Bonds when due as set forth in the form of the Policy included as Appendix H to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.]

[Insurer]

[To come]

[Risk Factors Related to Bond Insurance]

The District has applied for a bond insurance policy to guarantee the scheduled payment of principal and interest on the Insured Bonds. The following are risk factors relating to bond insurance.

In the event of default of the payment of principal or interest with respect to the Insured Bonds when all or some becomes due, any owner of the Insured Bonds shall have a claim under the Policy for such payments. The Policy does not insure against redemption premium, if any. The payment of principal and interest in connection with mandatory or optional prepayment of the Insured Bonds by the District which is recovered by the District from the bond owner as a voidable preference under applicable bankruptcy law is covered by the insurance policy, however, such payments will be made by the Bond Insurer at such time and in such amounts as would have been due absent such prepayment by the District unless the Bond Insurer chooses to pay such amounts at an earlier date.

Under most circumstances, default of payment of principal and interest does not obligate acceleration of the obligations of the Bond Insurer without appropriate consent. The Bond Insurer may direct and must consent to any remedies and the Bond Insurer's consent may be required in connection with amendments to any applicable bond documents.

In the event the Bond Insurer is unable to make payment of principal and interest as such payments become due under the Policy, the Insured Bonds are payable solely from the moneys received pursuant to the applicable bond documents. In the event the Bond Insurer becomes obligated to make payments with respect to the Insured Bonds, no assurance is given that such event will not adversely affect the market price of the Insured Bonds or the marketability (liquidity) for the Insured Bonds.

The long-term ratings on the Insured Bonds are dependent in part on the financial strength of the Bond Insurer and its claims paying ability. The Bond Insurer's financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Bond Insurer and of the ratings on the Insured Bonds insured by the Bond Insurer will not be subject to downgrade and such event could adversely affect the market price of the Insured Bonds or the marketability (liquidity) for the Insured Bonds. See "MISCELLANEOUS – Ratings."

The obligations of the Bond Insurer are general obligations of the Bond Insurer and in an event of default by the Bond Insurer, the remedies available may be limited by applicable bankruptcy law or other similar laws related to insolvency.

Neither the District nor the Underwriters have made independent investigation into the claims paying ability of the Bond Insurer and no assurance or representation regarding the financial strength or projected financial strength

* Preliminary, subject to change.

of the Bond Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the District to pay principal and interest on the Insured Bonds and the claims paying ability of the Bond Insurer, particularly over the life of the investment.]

RISK FACTORS

The factors discussed below (among others) should be considered in evaluating the probability of payment of the Bonds. The considerations discussed below are not meant to be an exhaustive list of considerations associated with the purchase of the Bonds, and the discussion below does not necessarily reflect the relative importance of the various considerations. Potential investors should consider the following factors, among others, and review the other information in this Official Statement. Any one or more of the considerations discussed, and others, could lead to a decrease in the market value and or the liquidity of the Bonds. There can be no assurance that other factors and considerations will not become material in the future.

Risks Related to COVID-19

The outbreak of the novel strain of coronavirus called COVID-19, which was previously designated a global pandemic by the World Health Organization, is impacting local and global economies, as governments, businesses, and citizens react to, plan for, and try to prevent or slow further transmission of the virus. Financial markets, including both the bond and stock markets in the United States and globally, have experienced significant recent volatility that has been attributed to coronavirus concerns. The United States Centers for Disease Control and Prevention and the California Department of Public Health have been providing regular updates and guidelines to the public and to State and local governments. On March 4, 2020, as part of the State's response to address the outbreak, the Governor declared a state of emergency. On March 13, 2020, then President Donald Trump declared a national emergency, freeing up funding for federal assistance to state and local governments. Many school districts across the State temporarily closed some or all school campuses in response to local and state directives or guidance.

On March 27, 2020, the U.S. House of Representatives approved and then President Trump signed into law the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act"). The CARES Act appropriated \$30 billion to education, of which \$3 billion was allocated to state governors to be used at their discretion to address the emergency, \$13.5 billion was allocated for K-12 education, and \$14.25 billion was allocated for postsecondary institutions.

On December 27, 2020, the United States Congress approved and then President Trump signed into law the Consolidated Appropriations Act, 2021 ("HR 133"), which included a \$900 billion COVID-19 relief package. HR 133 provided \$81.9 billion to education, specifically \$4.1 billion allocated to state governors to be used at their discretion to address the emergency, of which \$2.75 billion was reserved for private K-12 education, \$54.3 billion for K-12 education, \$22.7 billion for postsecondary institutions, and \$819 million for outlying areas and Bureau of Indian Affairs schools.

On March 12, 2021, the United States Congress approved and President Biden signed into law the American Rescue Plan Act of 2021 ("HR 1319"), a \$1.9 trillion COVID-19 relief package. HR 1319 provided direct payments to individuals, extended unemployment benefits, provided funding to distribute COVID-19 vaccines and provided funding for schools, higher education institutions, state, tribal governments and businesses.

On March 5, 2021, the Governor signed into law Assembly Bill 86 ("AB 86"), providing \$6.6 billion in State funding relating to COVID-19 relief, including \$2 billion in incentives to expedite reopening schools and \$4.6 billion to address the COVID-19 pandemic's impact on learning. The majority of such funding was to be apportioned through the Local Control Funding Formula (as defined herein). AB 86 provided, in part, in-person instruction grants to incentivize schools to offer in-person instruction. The \$2 billion in incentives were to be utilized by school districts to reopen schools for in-person instruction for its most high-needs students.

The District received approximately \$[283.1] million in federal and State funding, including allocations from CARES Act funding from Elementary and Secondary School relief (ESSER) I, HR 133, ESSER II, HR 1319, ESSER III, and AB 86. The aforementioned federal and State funding is considered one-time, restricted, emergency

relief funding to address the impact COVID-19 has had on elementary and secondary schools. To date, the District has expended approximately \$[] million, and expects to expend the remaining \$[] million by [DATE].

School Re-opening for In-Person Instruction. The District closed for in-person instruction in March 2020. Commencing March 30, 2021, the District began reopening classrooms for in-person instruction to students who wished to return to campus for an onsite/online hybrid instructional model. By April 19, 2021, the District had reopened all classrooms for in-person instruction to students who wished to return to campus for an onsite/online hybrid instructional model. The District operated the 2022-23 school year in person, and is operating the 2023-24 school year in-person.

California fully reopened the economy on June 15, 2021. Businesses and activities returned to normal, except for certain “mega events” (1,000 people indoors or 10,000 outdoors), which may still be subject to certain recommended restrictions. Capacity limits and social distancing requirements have ended in most cases. The District cannot provide any assurance that under certain circumstances, additional State measures may be put back into place or updated California Department of Public Health Orders may be issued due to variants, a significant increase in the number of COVID-19 cases, updated guidance by the Centers for Disease Control and Prevention, or other factors.

Notwithstanding the impacts the coronavirus may have on the global and national economy, the economy in the State and the District, or on the District’s revenues, the Series 2023 Bonds described herein are voter-approved general obligations of the District payable solely from the levy and collection of *ad valorem* property taxes, unlimited as to rate or amount, and are not payable from the general fund of the District. Although the Series 2023 Bonds are payable solely from *ad valorem* property taxes and not from the general fund of the District, the District cannot predict what future impacts the outbreak may have on its operations and budget.

The District has in the past, and may again in the future, receive guidance on the COVID-19 pandemic from County health officials and the County Superintendent of Schools, which may monitor the coronavirus situation in accordance with coronavirus guidelines for schools published by the Centers for Disease Control and Prevention.

Risks to the Property Tax Base

Certain events could cause a decline in assessed value of property in the District, requiring the County to increase tax rates in order to meet the debt service obligations on the Bonds.

The property tax base has in the past and may in the future shrink due either to base year assessment appeals or due to blanket reductions of assessed values. For more detail concerning base year assessment appeals or blanket reductions of assessed values, see “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Assessed Valuation of Property Within the District.” For a recent history of assessed value in the District, see “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Assessed Valuation of Property Within the District.”

Increased unemployment and other general economic conditions in the District may also correlate with a decline in assessed value and an increase in delinquent tax payments. Also, in the case of an earthquake that materially disrupts the economy of the Bay Area, large scale defaults on property taxes could cause delays or defaults on the Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Tax Changes and Delinquencies – *Teeter Plan – Not Applicable.*” For more information regarding unemployment and general economic conditions in the District and surrounding areas, see APPENDIX A – “THE ECONOMY OF THE DISTRICT.”

The property tax base in the District is located on a seismically active fault in California and could sustain a significant decline in value were a large-magnitude earthquake to occur. Property values in the District could also be adversely affected by a number of other natural or manmade disasters. For a more detailed discussion of earthquake risk, see “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Assessed Valuation of Property Within the District.”

Although the District may have legal authority to supplement the payments on its bonds by transferring operating revenues to the Interest and Sinking Fund were amounts on deposit therein ever insufficient to pay the

principal of and interest due on its bonds, the District is not legally obligated to use its operating revenues to support its bonds.

The reorganization of regulated utilities and the transfer of electricity generating property between state-assessed utilities and non-utility companies may also have an effect on the size of the District's tax base. A more in-depth discussion of how state-assessed property affects the size of the tax base is available at "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Assessed Value of Property Within the District."

District Financial Risks

Neither the principal of, nor interest on, the Bonds is payable from the District's General Fund or from State revenues. The Bonds are paid by the County solely from *ad valorem* property taxes levied by the County – moneys over which the District exerts no control. Nevertheless, the District has presented information concerning its finances and operations and has detailed the State funding of education in Appendix B as supplementary information. Because some of the events and circumstances discussed in Appendix B are anomalous, they are noted below.

Reserve for Economic Uncertainty. The District is required to maintain a reserve for economic uncertainty equal to 2.0% of annual General Fund expenditures and other financing uses (the "**Minimum Reserve**"). As a result of the District's major review of budget assumptions in fiscal year 2018-19, the Board of Education adopted a budget resolution (the "**District Budget Resolution**") which requires the District to maintain a minimum reserve of 2.5% in fiscal year 2018-19 and no less than 3.0% in fiscal years 2019-20 through 2021-22. Due to increased costs of compensation, pension, health, and welfare benefits which outpaced the increase in revenue, as well as a marginal decrease in enrollment, the District's adopted budget for fiscal year 2019-20 implemented approximately \$14 million in budgetary cuts in order to achieve the targeted minimum reserve in fiscal year 2019-20, with the result that the District met the Minimum Reserve requirement set forth in the District Budget Resolution for such fiscal year.

On August 8, 2018, the District adopted a resolution implementing additional budget reductions for fiscal year 2019-20 to improve its financial position and commitment to fiscal solvency. Based on an improved budget outlook and increased LCFF (as defined herein) revenue from the State Governor's 2019-20 Proposed Budget, the budget reduction target was adjusted to \$21.75 million (inclusive of approximately \$1.4 million of projected revenue enhancements), and the District committed to such budget reductions and revenue enhancements in order to maintain a 3% minimum reserve, based on the District Budget Resolution. While the District was contemplating applying new budgetary assumptions, the District submitted its first interim budget report, which included assumptions regarding certain investments in salary compensation and reductions of expenditures of \$15 million beginning in fiscal year 2019-20, and an additional \$28 million beginning in fiscal year 2020-21. The District's second interim budget report included the \$21.75 million budget reduction target. Based on the assumptions included in each interim report, the District recommended a positive certification on its first and second interim budget reports for fiscal year 2018-19, however, the Alameda County Office of Education ("**ACOE**") revised such certifications from positive to qualified based on some of the underlying assumptions and inconsistency in prior-year forecasts.

On June 26, 2019, the District adopted its budget for fiscal year 2019-20, and the multiyear projections included in such budget indicated that the District would not meet the Minimum Reserve requirement in fiscal year 2021-22, with significant net decreases to the general fund balance in fiscal years 2020-21 and 2021-22. As a result, the Board of Education adopted a resolution which required the District to commit to budgetary expenditure reductions and/or revenue enhancements of approximately \$10.0 million in fiscal year 2020-21 and \$10.5 million in fiscal year 2021-22, to be adjusted as necessary as the multi-year assumptions and projections were updated. The District implemented approximately \$21.8 million in budgetary reductions, including \$11.9 million in reductions to central administrative costs, \$3.8 million in reductions to central services to sites, and \$3.0 million in reductions in site discretionary budgets.

On June 24, 2020, the District adopted its budget for fiscal year 2020-21, and the multiyear projections included in such budget indicated that the District would not meet the Minimum Reserve requirement in fiscal years 2021-22 and 2022-23, unless budgetary expenditure reductions of \$16.5 million were implemented. As a result, the Board of Education adopted a resolution which required the District to commit to budgetary expenditure reductions and/or revenue enhancements of approximately \$15.5 million in fiscal year 2020-21 and a reduction in the Minimum

Reserve requirement in fiscal year 2020-21 by \$1.4 million, to be adjusted as necessary as the multiyear assumptions and projections are updated. The District developed the 2020-21 Budget Reduction Options and Bridge Plan (the “**2020-21 Budget Reduction Plan**”), which was approved by the Board of Education of the District on April 28, 2021. The 2020-21 Budget Reduction Plan supported the development of the District’s 2021-22 budget, as well as necessary reductions for the 2022-23 school year. The District implemented approximately \$18.8 million in budgetary solutions, including \$3.0 million in reductions in site discretionary funding, \$2.1 million in reductions through consolidation of fiscal services functions, and \$1.3 million in reductions and consolidations in District communications, strategy and support services.

On June 30, 2021, the District adopted its budget for fiscal year 2021-22, and the multiyear projections included in such budget indicated that the District would not meet the Minimum Reserve requirement in fiscal year 2021-22, unless budgetary expenditure reductions of \$16.0 million were implemented. Such budgetary expenditure reductions were detailed in the 2021-22 Budget Reduction Plan, which was developed in part to address budgetary challenges facing the District in fiscal years 2021-22 and 2022-23. [The District implemented approximately \$3.4 million in budgetary solutions, including \$1.6 million in reductions due to elimination of its contribution to the Child Nutrition Fund and \$1.8 million in reductions to central services from reorganization of police services. Additionally, the District implemented a one-time bridge plan based on the District’s receipt of \$16.0 million from federal and State COVID-19 relief funding sources.] [Subject to update]

On June 29, 2022, the District adopted its budget for fiscal year 2022-23, which reflected a \$27.3 million deficit in the unrestricted general fund, which was also reflected in the out years in the multiyear projections. [The District anticipated increases in State revenues, specifically for average daily attendance, [and budgetary expenditure reductions of \$[_.] million were expected to be implemented. Such budgetary expenditure reductions were detailed in the 2022-23 Budget Reduction Plan, which was developed in part to address budgetary challenges facing the District in fiscal years 2022-23 and 2023-24. The District implemented approximately \$[_.] million in budgetary solutions, including [details of expenditure reductions.] [Subject to update]

On June 28, 2023, the District adopted its budget for fiscal year 2023-24, which reflected deficit spending in the out years in the multiyear and declining restricted general fund revenues. [The District expects to implement budgetary expenditure reductions of \$[_.] million. Such budgetary expenditure reductions are detailed in the 2023-24 Budget Reduction Plan, which was developed in part to address budgetary challenges facing the District in fiscal years 2023-24 through 2025-26.] [Subject to update]

The District’s financial and budgetary practices have been subject to increased oversight by the Financial Crisis Management Assistance Team (“**FCMAT**”), as well as the ACOE, in part due to the passage of Assembly Bill 1840 (which became effective on September 17, 2018) (“**AB 1840**”). See “– FCMAT Oversight and Reports.” ACOE released a grand jury report on June 21, 2019 which detailed allegations of poor management and oversight as well as a problematic administrative culture, and detailed eleven findings and ten recommendations to address these issues. In September 2019, the District replied, with responses to each of the findings and recommendations.

Dependence on State Funds. Due to District dependence on the State for a substantial portion of its operating funds, reductions in State funding may have an adverse effect on the District’s financial health. In past years the State has reduced its funding of the District to try to address shortfalls in the State budget, and these reductions have caused concomitant reductions in the District’s budget. For a more detailed discussion of the relationship between State funding of education and the District’s budget, see APPENDIX B – “INFORMATION RELATING TO THE DISTRICT’S OPERATIONS AND BUDGET.”

Budgetary Risks. The District’s first and second interim budget reports for fiscal year 2022-23 were qualified, indicating that the District would not be able to meet its financial obligations for the two subsequent fiscal years. The District self-certified its third interim budget report for fiscal year 2022-23 as qualified. See APPENDIX B – “INFORMATION RELATING TO THE DISTRICT’S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS – District Budget Process and County Review.”

Healthcare Costs – HBGB. In 2015, as part of contract negotiations and in an attempt to contain healthcare costs, the District established the Health Benefits Governing Board (“**HBGB**”) pursuant to the Health and Welfare Agreement (the “**HBGB Agreement**”) by and among the District and each of the labor unions operating within the

District at the time. Pursuant to the HBGB Agreement, the District was required to set aside revenue into a Health and Welfare Fund that would be used for the District's contribution to employee health and welfare benefits beginning on July 1, 2015 and in future years. Any unspent revenue for the Health and Welfare Fund pursuant to the formula must remain as a fund reserve set aside to mitigate future increases in health and welfare benefit costs. The formula by which the District determines the amounts it is required to deposit in the Health and Welfare Fund is complicated and there has been disagreement among the District, ACOE and FCMAT about the exact deposit amounts. Additionally, due to budgetary pressures and the complex accounting procedures the HBGB Agreement requires, the District has not funded the Health and Welfare Fund and did not begin accounting for the unspent Health and Welfare Fund reserves until the 2018-19 school year. The District, its auditors, ACOE and FCMAT have also disagreed about whether the amounts the District was required to make pursuant to the HBGB Agreement but has not yet made must be recorded as a current year liability in its financial statements. [If the District does recognize the amounts owed as a current liability, \$9 million would be owed and the District's assets would decrease commensurately. The District has proposed a plan by which it would make deposits in the Health and Welfare Fund of \$2.25 million over four years to eliminate the \$9 million liability, and is also in the process of negotiating to rework the formula by which deposit amounts are determined. The \$2.25 million payments have not yet been incorporated into the District's multiyear budget projections. The District is in the process of discussing with its labor organizations the proposed structural changes which would impact the formula used to determine the District's annual contribution to the Health and Welfare Fund. The current HBGB Agreement remains in effect until the District or any signatory union submits a request to renegotiate. The District estimates it will need to deposit \$3.5 million per year until a new formula is agreed upon. The District cannot predict what effect a new formula will have on its finances, or whether the HBGB Agreement will be extended upon its expiration.] [Subject to update]

Audit Reports; Qualified Opinion

The District's auditor expressed a qualified opinion on the District's financial statements for fiscal years 2012-13 through 2020-21 because the financial statements did not include the ASB funds (as described below), and statements for such fund are required by generally accepted accounting principles in the United States of America. Except for the omission of the ASB funds, the District's auditor opined that the District's financial statements for fiscal years 2012-13 through 2020-21 fairly present, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the District, as of the respective date of each report, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Associated student body funds ("ASB funds") are the funds collected and held at school sites specifically for student activities. The District had not previously prepared a summary of the ASB funds in an auditable format. Therefore, the required schedule of these fiduciary funds was not presented in the financial statements, and the auditors were not able to provide an unqualified opinion on the District's financial statements for fiscal years 2012-13 through 2020-21.

The District began collecting information on the ASB funds, including site visits, during fiscal year 2015-16. The District plans to collect, review and monitor all ASB account information. The District's financial statements for fiscal year 2021-22 included ASB funds and the District's auditor indicated that this audit finding was resolved.

The District's auditor expressed a qualified opinion on the District's financial statements for fiscal years 2020-21 and 2021-22 because the District did not comply with the attendance reporting requirements for Twenty-First Century Community Learning Centers (as described below), which is necessary for compliance with the associated federal program.

The State Department of Education ("CDE") administers the Twenty-First Century Community Learning Centers program. It is a State-administered, federally funded program that provides five-year grant funding to establish or expand before and after-school programs that provide disadvantaged kindergarten through twelfth-grade students with academic enrichment opportunities and supportive services to help the students meet State and local standards in core content areas. The District evidences student participation by reporting attendance to the CDE. The daily attendance is recorded for all the students attending the after-school program on each school day the program operates.

The District’s auditor identified a material weakness in internal control over compliance and noncompliance because there were errors in the attendance reported to the CDE.

In response to this audit finding, the District transitioned to a new attendance accounting system for the afterschool program during fiscal year 2021-22. Although the District’s management expects the new system to ultimately increase the accuracy the attendance reporting, there were challenges with the new system. The CDE has accepted the District’s attendance report as of August 2022, and the auditor expects an improved outcome during fiscal year 2022-23.

The financial information presented in Appendix C represents the audited financial statements of the District for fiscal year ended June 30, 2022. The financial information presented in Appendix B is generally derived from such audited information except where audited information is unavailable. For further discussion, see APPENDIX B – “INFORMATION RELATING TO THE DISTRICT’S OPERATIONS AND BUDGET.”

ACOE reviews the District’s budget, interim and unaudited financial reports throughout the year. The ACOE also reviews and processes expenditures and receipts and performs internal reconciliation of the District’s cash and budget. See APPENDIX B – “INFORMATION RELATING TO THE DISTRICT’S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS.” See also “– District Financial Considerations” below.

Audit Liabilities. The District’s finances are audited annually, and the District is in the process of resolving findings from past audits. The external auditors identified 13 findings in fiscal year 2018-19, and none of the findings resulted in financial liabilities, although there were \$4 million in audit adjustments in the fiscal year 2018-19 audit. The external auditors identified 15 findings for fiscal year 2019-20, and none of which carry a material financial liability although the District’s general fund is subject to approximately \$2.7 million in audit adjustments for such fiscal year. [The external auditors identified 10 findings in fiscal year 2020-21, and none of the findings resulted in financial liabilities, although there were \$275,000 in audit adjustments in the fiscal year 2020-21 audit. The external auditors identified 11 findings in fiscal year 2021-22, and none of the findings resulted in financial liabilities, although there were \$[] in audit adjustments in the fiscal year 2021-22 audit.] See APPENDIX B – “INFORMATION RELATING TO THE DISTRICT’S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS – Audit Findings.”

FCMAT Oversight and Reports

In April 2017, the District and FCMAT entered into an agreement to conduct a fiscal health risk analysis and determine the risk rating of the District. On August 15, 2017, FCMAT delivered its fiscal health risk analysis (the “**Fiscal Health Risk Analysis**”) which recommended that the District take immediate action to avoid further erosion of the District’s reserves and a possible fiscal emergency. In the Fiscal Health Risk Analysis, FCMAT identified several signs of fiscal distress for the District, including deficit spending, substantial reductions in fund balance, inadequate reserve levels, approval of a bargaining agreement beyond cost-of-living adjustments, large increases in contributions to restricted programs (especially in special education), lack of oversight allowing for positions to be created before verification of funding and approval, breakdown in leadership with excessive turnover, and the inability to hold administrators accountable who had been allowed to overspend budgets and override policy. FCMAT reviewed twenty fiscal indicators in its analysis, noting that districts that respond “No” to seven or more fiscal indicators may have cause for concern and could require some level of fiscal intervention. Based on FCMAT’s analysis, the District responded “No” to eight of the twenty fiscal indicators.

On January 22, 2018, the ACOE and FCMAT entered into an agreement to provide the District with on-site technical assistance in two phases. During Phase I, FCMAT’s assistance included reviewing the District’s fiscal year 2017-18 General Fund budget and developing consensus among the District, ACOE, and WestEd (a consultant of the District) regarding budget assumptions. Using those validated budget assumptions, FCMAT reviewed the fiscal year 2017-18 General Fund cash forecast to determine whether the District had sufficient cash resources through June 2018 to meet its obligations. On May 31, 2018, FCMAT delivered its management letter regarding Phase I (the “**Phase I Letter**”), concluding that the District would end the then-current fiscal year with a positive cash position in the General Fund of approximately \$17.4 million. FCMAT noted, however, that the ending cash balance was approximately \$6.2 million less than the then-current fiscal year’s beginning cash balance, and \$22.5 million less than the beginning cash balance in fiscal year 2016-17. FCMAT reported that the District’s cash was on a declining

trajectory (a 56.5% decrease in the prior two years at the time of the analysis) and indicated that the pattern was not sustainable. Moreover, FCMAT estimated that revenues in fiscal year 2017-18 would decline by approximately \$2.9 million and expenditures would decline by only approximately \$520,000 from fiscal year 2016-17 levels. The analysis concluded that the District was in financial distress, and that without significant corrective action the District's fund balance and longer-term cash balance would continue to decline.

The Phase I Letter points to several factors that caused concern or hindered FCMAT's ability to conduct an open and honest assessment of the District's financial condition. Specifically, in providing reasoning for excluding proposed expenditure reductions of \$9 million from its calculations, FCMAT cited a history of deficit spending and indicated that the District's recent actions called into question the political will of the District and its Board of Education to implement such expenditure reductions. Additionally, FCMAT noted that the District has previously sustained the minimally required state reserve levels through improper interfund borrowing, which positively impacted General Fund cash flow and fund balance. FCMAT observed that such interfund borrowing should be audited, quantified and repaid, and the District should establish a multiyear plan to reverse such borrowing and restore cash balances to other funds.

During Phase II, FCMAT helped to create a General Fund multi-year financial projection for fiscal years 2017-18, 2018-19, and 2019-20. On July 2, 2018, FCMAT delivered its management letter regarding Phase II (the "**Phase II Letter**") in which it found that the District had fallen into a pattern of deficit spending, a pattern described by FCMAT as a structural deficit. FCMAT indicated that the District's spending pattern eliminated its unrestricted fund balance, leaving the District in a troubling condition for its financial future. FCMAT observed that the unrestricted fund had a negative balance of approximately \$15.6 million in fiscal year 2017-18 which would escalate to approximately \$76.3 million in fiscal year 2019-20, and that the problems with the unrestricted fund were being masked by activities in the restricted fund. The Phase II Letter concludes with eighteen recommendations for the District, including developing short- and long-term financial plans based on reasonable economic assumptions, and implementing those plans with a commitment to attaining financial solvency, monitoring and projecting student enrollment and A.D.A. at each reporting period, updating revenue budgets throughout the fiscal year, being conservative when budgeting amounts for local revenue and updating the budget throughout the fiscal year to account for year-to-date receipts, and making a plan to use restricted dollars in the fiscal year in which they are received. See APPENDIX B – "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS – Accounting Practices."

On March 1, 2019, FCMAT delivered a letter to the Director of the State Department of Finance, the Chair of the State Assembly Committee on Budget and its Committee Members, and the Chair of the State Senate Committee on Budget and Fiscal Review and its Committee Members regarding the District, in accordance with FCMAT's responsibilities under AB 1840 (the "**AB 1840 Letter**").

The AB 1840 Letter contained FCMAT's conclusions that the District would have projected operating deficits of approximately \$9.0 million in fiscal year 2018-19 and approximately \$6.4 million in fiscal year 2019-20. FCMAT also noted that, when taking into account the cost of additional intervention by ACOE, the projected operating deficits of the District would be approximately \$10.4 million in fiscal year 2018-19 and approximately \$7.6 million in fiscal year 2019-20. FCMAT's conclusion, however, was subject to the caveat that there were several factors that would influence its budget projections that were unknown at the time of the analysis. Specifically, FCMAT did not include in its calculations any cost increases that would result from any bargaining unit settlement; FCMAT delivered the AB 1840 Letter the day after the District reached a tentative agreement with members of the OEA and stated that it and ACOE would need additional time to analyze the impact of the settlement on the deficit calculation. Additionally, settlements between the District and the other labor organizations representing District employees may have had an impact on District finances.

On April 24, 2019, FCMAT delivered an updated letter to the Director of the State Department of Finance, the Chair of the State Assembly Committee on Budget and its Committee Members, and the Chair of the State Senate Committee on Budget and Fiscal Review and its Committee Members regarding the District, in accordance with FCMAT's responsibilities under AB 1840 (the "**Second AB 1840 Letter**").

The Second AB 1840 Letter contained FCMAT's conclusions that, under the scenario including the cost of potential labor settlements for all employee units, the District would have projected operating surpluses of

approximately \$4.6 million in fiscal year 2018-19 and approximately \$0.5 million in fiscal year 2019-20. FCMAT also noted that, when taking into account the cost of additional intervention by ACOE, the projected operating surplus of the District would be approximately \$3.1 million in fiscal year 2018-19 and a projected operating deficit of approximately \$0.5 million in fiscal year 2019-20. However, FCMAT's conclusions did not take into account several factors that would influence its budget projections because such factors were unknown at the time of the analysis. Specifically, FCMAT's calculations did not account for (i) the District Budget Resolution, which requires budget reductions totaling \$21.75 million, or (ii) budgetary savings resulting from significant reductions in FTE positions. The elimination of over 250 FTE positions has necessitated a redesign of the organizational structure of the District. The redesign is currently ongoing. FCMAT also noted that an estimated \$1 million or more in accrued vacation balances will be paid due to positions being eliminated in fiscal year 2018-19; at the time, the District had not fully calculated this liability, which would partially offset planned savings. Finally, FCMAT remarked that the final outcome of other bargaining unit negotiations is unknown and may have a significant impact. See APPENDIX B – "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS – Employees and Labor Relations."

On January 15, 2020, FCMAT delivered an updated letter to the Director of the State Department of Finance, the Chair of the State Assembly Committee on Budget and its Committee Members, and the Chair of the State Senate Committee on Budget and Fiscal Review and its Committee Members regarding the District, in accordance with FCMAT's responsibilities under AB 1840 (the "**Third AB 1840 Letter**").

The Third AB 1840 Letter contained FCMAT's conclusions that, under the scenario including the cost of settled collective bargaining agreements with OEA and SEIU, the District would have projected operating deficits of approximately \$15.0 million in fiscal year 2019-20 and approximately \$23.6 million in fiscal year 2020-21. These projected deficits reflect increases from the projected operating deficits of approximately \$734,400 in fiscal year 2019-20 and approximately \$8.1 million in fiscal year 2020-21 set forth in the District's budget, which only take into account the settled collective bargaining agreement with OEA. FCMAT also provided a status update on the District's progress toward the required AB 1840 Benchmarks. FCMAT concluded that the District still faces obstacles affecting fiscal solvency, including (i) the unsettled negotiations with five bargaining units, (ii) the need for additional budget cuts, and (iii) hiring and retaining a permanent qualified staff in the Business Division. FCMAT also noted the District's progress with its Citywide Plan and its establishment of a 7-11 Committee to assist in identifying surplus properties to lease or sell. For further information on the Citywide Plan, see APPENDIX B – "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET – THE DISTRICT – Strategic Plan; School Closures."

On March 2, 2020, FCMAT delivered an updated letter to the Director of the State Department of Finance, the Chair of the State Assembly Committee on Budget and its Committee Members, and the Chair of the State Senate Committee on Budget and Fiscal Review and its Committee Members regarding the District, in accordance with FCMAT's responsibilities under AB 1840 (the "**Fourth AB 1840 Letter**").

The Fourth AB 1840 Letter contained FCMAT's conclusions that, under the scenario including the cost of settled collective bargaining agreements with OEA and SEIU, as well as the remaining unsettled salary agreements, the projected operating deficit of the District would be approximately \$33.6 million in fiscal year 2019-20 and approximately \$32.0 million in fiscal year 2020-21. These projected deficits reflect increases from the projected operating deficits of approximately \$25.0 million in fiscal year 2019-20 and approximately \$18.9 million in fiscal year 2020-21 set forth in the District's budget, which only take into account the settled collective bargaining agreements with OEA and SEIU. FCMAT also noted the District's progress toward the required AB 1840 Benchmarks and significant improvement in the District's financial planning, reporting and budgetary processes, including (i) identifying surplus property for lease or sale, resulting in consolidation or closure of vacant school sites, and (ii) increasing budgetary reserves. FCMAT concluded that the District's continuous improvement and full implementation of budgetary decisions is reliant upon hiring and retaining a highly qualified permanent staff.

On November 4, 2020, FCMAT delivered an updated letter to the Director of the State Department of Finance, the Chair of the State Assembly Committee on Budget and its Committee Members, and the Chair of the State Senate Committee on Budget and Fiscal Review and its Committee Members regarding the District, in accordance with FCMAT's responsibilities under AB 1840 (the "**Fifth AB 1840 Letter**").

The Fifth AB 1840 Letter contained FCMAT's conclusions that the District would have projected operating deficits of approximately \$12.3 million in fiscal year 2021-22 and approximately \$28.3 million in fiscal year 2022-23, consistent with the District's approved budgetary and financial reports. FCMAT cautioned the District to remain vigilant in its implementation of budget solutions to eliminate deficit spending, and avoid the use of unsubstantiated miscellaneous adjustments. FCMAT noted the District's progress in implementing its Citywide Plan, which demonstrates the District's commitment to move forward with the process of leasing and/or selling vacant properties. FCMAT also noted the District's progress toward the required AB 1840 Benchmarks and significant improvement in the District's financial planning, accuracy of reporting and budgetary systems and processes. FCMAT concluded the District's continuous improvement and full implementation of budgetary decisions is reliant upon hiring and retaining a permanent Chief Business Officer.

On March 1, 2021, FCMAT delivered an updated letter to the Director of the State Department of Finance, the Chair of the State Assembly Committee on Budget and its Committee Members, and the Chair of the State Senate Committee on Budget and Fiscal Review and its Committee Members regarding the District, in accordance with FCMAT's responsibilities under AB 1840 (the "**Sixth AB 1840 Letter**").

The Sixth AB 1840 Letter contained FCMAT's conclusions that the District would have projected operating deficits of approximately \$40.0 million in fiscal year 2021-22, and approximately \$64.4 million in fiscal year 2022-23. These projected deficits reflect increases from the projected operating deficits of approximately \$17.0 million in fiscal year 2021-22 and approximately \$28.3 million in fiscal year 2022-23 set forth in the District's budget, which rely on miscellaneous budgetary adjustments that are not identified or substantiated. FCMAT noted the county superintendent's letter in response to the District's first interim budget report for fiscal year 2020-21, and his cited concerns regarding the calculation of LCFF revenue, a potential liability related to the HBGB, lack of progress on the Fiscal Vitality Plan (defined below), lack of progress on the Blueprint for Quality Schools (a component of the Citywide Plan), cash flow, deficit spending, and proposed reductions as noted in the assumptions used by the District in developing its multiyear projections. FCMAT also noted the District's progress toward the required AB 1840 Benchmarks and significant progress in many business areas. FCMAT commented that the Citywide Plan's goal of better matching District facilities to student enrollment is critical to the fiscal solvency of the District. FCMAT concludes that the District has achieved dramatic improvement in many processes and procedures due to the AB 1840 implementation and sustained involvement and intervention from the county superintendent. However, FCMAT remarked that policies unique to the District continued to foster instability and a lack of progress toward recognized best practices, including: (i) the decentralization of decision making due to Board Policy 3150 (Results Based Budgeting), (ii) the lack of consistent personnel in key administrative positions, (iii) the District's struggle to meet improvement plans such as the Fiscal Vitality Plan, and (iv) a lack of commitment by the governance team to implement their own decisions, specifically a failure to implement adopted budget adjustments. FCMAT concluded that addressing these issues, along with intensive support from the ACOE, would be necessary to prevent insolvency.

The District implemented its 2018-2020 Fiscal Vitality Plan (the "**Fiscal Vitality Plan**") to provide recommendations responsive to the Fiscal Health Risk Analysis. A draft of the Fiscal Vitality Plan was released to the public for comment and input and requires ongoing engagement with the District's Board of Education, staff and community. The Fiscal Vitality Plan sets forth 23 recommendations for actions to rectify the District's poor fiscal health. These recommendations consist of: (i) stabilizing measures, such as midyear adjustments for the fiscal year 2017-18 budget and changes to monitoring and forecasting; (ii) recovery measures, such as fiscal year 2018-19 budget development that eliminates deficit spending and reorganizes the District's central office, establishment of internal controls relating to the budget and position control, implementation of a new system to manage finance and human resource information, and revenue maximization; and (iii) vitality measures, such as defining roles and responsibilities for District oversight, and finalizing and implementing the Quality Schools Action Plan and Facilities Master Plan. Between 2017 and 2020, the District completed or made significant progress on nearly all of the recommended actions set forth in the Fiscal Vitality Plan. In accordance with its terms, the Fiscal Vitality Plan expired in 2020.

On February 24, 2021, the District adopted its three-year Fiscal Sustainability Plan (the "**Fiscal Sustainability Plan**") as a new plan and successor to the Fiscal Vitality Plan. The Fiscal Sustainability Plan identifies five areas that the District needs to prioritize in order to continue on its path to fiscal sustainability. These five areas consist of: (i) Budget and Operational Practices; (ii) Budget Development and Stakeholder Engagement; (iii) School Quality and Enrollment; (iv) Use of Restricted Resources; and (v) Ability to Make Difficult Decisions. Pursuant to

the Fiscal Sustainability Plan, the Superintendent will annually (i) develop specific actions for each priority; (ii) ensure that sure actions are implemented; and (iii) provide a summary of which actions were fully implemented, partially implemented, and not implemented. [Subject to update]

On January 4, 2022, FCMAT delivered an updated letter to the Director of the State Department of Finance, the Chair of the State Assembly Committee on Budget and its Committee Members, and the Chair of the State Senate Committee on Budget and Fiscal Review and its Committee Members regarding the District, in accordance with FCMAT's responsibilities under AB 1840 (the "**Seventh AB 1840 Letter**" and, together with the AB 1840 Letter, the Second AB 1840 Letter, the Third AB 1840 Letter, the Fourth AB 1840 Letter, the Fifth AB 1840 Letter and the Sixth AB 1840 Letter, the "**AB 1840 Letters**").

The Seventh AB 1840 Letter contained FCMAT's conclusions that without the one-time COVID-19 funding, the District would have deficits of approximately \$25.7 million in fiscal year 2021-22, and approximately \$55.6 million in fiscal year 2022-23. FCMAT stated that the District has a significant structural deficit and ongoing salary increases, and continued adoption and implementation of budgetary solutions is necessary. FCMAT also noted the District's progress toward the required AB 1840 Benchmarks and its significant progress in many business areas. FCMAT noted that the District's adoption and implementation of necessary budget measures has not progressed and in fiscal year 2021-22 the District did not execute on substantive and identifiable budget reductions. FCMAT also commented on the District's limited success with fully implementing and adhering to budgetary reductions adopted in the prior fiscal year. FCMAT also noted that the District has ceased considering school consolidations or moving forward with the Citywide Plan. FCMAT summarized the County's monitoring of the implementation of the Fiscal Vitality Plan, noting that many of the recommendations have been completed though in some instances the District struggles to maintain the improvement. FCMAT concluded that the District had previously shown progress regarding budget stabilization and planning, but that the progress made on several benchmarks has slowed or even regressed. FCMAT stated that the District acknowledged that recent decisions would preclude its eligibility to receive the \$10 million AB 1840 apportionment in fiscal year 2021-22, however, the final analysis of the District's eligibility would be made closer to the end of fiscal year 2021-22 based on the District's actions at that time.

FCMAT's oversight of the District's financial and budgetary practices under AB 1840 was extended by the passage of Assembly Bill 181 (which became effective on June 30, 2022) ("**AB 181**"). On March 31, 2023, FCMAT delivered a letter to the Director of the State Department of Finance, the Chair of the State Assembly Committee on Budget and its Committee Members, and the Chair of the State Senate Committee on Budget and Fiscal Review and its Committee Members regarding the District, in accordance with FCMAT's responsibilities under AB 181 (the "**AB 181 Letter**").

The AB 181 Letter provides FCMAT's findings regarding the District's achievement of the requirements outlined in AB 181, as codified in Sections 42162(a) and (c) of the Education Code. FCMAT noted that, with respect to the requirements set out in Section 42162(a) of the Education Code, the District: (1) failed to implement its Fiscal Sustainability Plan, (2) rescinded the Board of Education's previous decision to close or consolidate schools, (3) failed to update its Master Facilities Plan and (4) received an audit report that notes material weaknesses in the District's internal controls. FCMAT noted the District achieved some but not all of the requirements set out in Section 42162(c) of the Education Code. FCMAT recommended that the District: (1) create and carry out measurable corrective actions with respect to streamlining operations, increasing efficiency, and providing better services to students, based on reports provided by third-party evaluators and (2) complete and implement multiyear, fiscally solvent budgets and budget plans, resulting in part in positive certifications on the District's interim budget reports. FCMAT noted the District's significant progress in increasing its budget reserves since fiscal year 2017-18, and its correction of the balance of unrestricted and restricted reserves in the overall general fund balance. FCMAT noted that, using its assumptions with respect to the District's multiyear projections, such projections indicate deficit spending of \$7.9 million in fiscal year 2024-25. FCMAT's evaluation of conditions and criteria outlined in Sections 42163(a) and (c) confirm that the District did not meet the requirements for additional apportionment. Finally, FCMAT stated that the District made the final payment on the portion of its Emergency Apportionment Loan (defined herein), that was provided through the California Infrastructure and Economic Development Bank, freeing up \$3.8 million in annual debt service beginning in fiscal year 2023-24. FCMAT recommended starting the process for a fiscal systems audit before it pays off the balance of the Emergency Apportionment Loan.

In the course of its oversight, FCMAT reviewed the District's use of bond proceeds from prior bond issuances to pay rent for the District's temporary administrative office. FCMAT has questioned whether there is a capital project to which these costs can be capitalized. A similar question has been raised by ACOE in a grand jury report, by the District's auditor in its fiscal year 2017-18 performance audit of its bond program, and by the District's bond oversight committee. [The District is no longer renting the temporary administrative office, and does not intend to use proceeds of the Bonds for payment of rent at any District facilities.]

For further information on FCMAT's review of and conclusions regarding the District's financial condition, investors are directed to read the full version of the Financial Health Risk Analysis, the Phase I Letter, the Phase II Letter, the AB 1840 Letters and the AB 181 Letter, each of which is publicly available on FCMAT's website at the following address: <http://www.fcmat.org/takenote/>. The information referred to is prepared by FCMAT and not by the District, and the District can take no responsibility for the continued accuracy of this internet address or for the accuracy, completeness or timeliness of information posted there, and such information is not incorporated herein by these references.

Federal Subsidy Payments on Direct Subsidy Bonds and Tax Credit Bonds

As a result of payroll tax penalties owed by the District in fiscal year 2018-19, the Internal Revenue Service (the "IRS") intercepted federal subsidy payments of approximately \$1.2 million to be paid to the District in connection with its Taxable General Obligation Bonds (Election of 2006, Series 2009B) (Build America Bonds). The District has since reimbursed the Interest and Sinking Fund for the amount of the intercepted subsidy. [The District's efforts to receive a waiver of the full amount of the penalties and a rebate of amounts paid to date from the IRS are ongoing. The District cannot predict whether it will receive the requested waiver and rebate of amounts paid, or, if received, the timing or receipt of such amounts.]

The District cannot predict whether and to what extent federal subsidy payments for direct subsidy bonds or tax credit bonds may be intercepted, or the extent to which sequestration may effect the District's receipt of federal subsidy payments in the future.

Cybersecurity

[The District relies on a large and complex technology infrastructure to conduct its operations. The District and its departments routinely face cybersecurity threats including, but not limited to, hacking, viruses, malware and other attacks on computers and other sensitive digital networks and systems. No assurances can be given that the security and operational control measures of the District will be successful in guarding against any and each cyber threat and attack. The results of any attack on the computer and information technology systems could have a material adverse impact on the operations of the District and damage the digital networks and systems. The District cannot predict the outcome of any such attack, nor the effect on the operations and finances of the District.]

Possible Limitations on Remedies

General. Following is a discussion of certain considerations in the event that the District should become a debtor in a bankruptcy proceeding. It is not an exhaustive discussion of the potential application of bankruptcy law to the District.

State law contains a number of safeguards to protect the financial solvency of school districts. If the safeguards are not successful in preventing the District from becoming insolvent, the State Superintendent of Public Instruction (the "State Superintendent"), operating through an administrator appointed by the State Superintendent, may be authorized under State law to file a petition under Chapter 9 of the United States Bankruptcy Code (the "Bankruptcy Code") on behalf of the District for the adjustment of its debts, assuming that the District meets certain other requirements contained in the Bankruptcy Code necessary for filing such a petition. Under current State law, the District is not itself authorized to file a bankruptcy proceeding, and it is not subject to an involuntary bankruptcy proceeding.

Bankruptcy courts are courts of equity and as such have broad discretionary powers. If the District were to become the debtor in a proceeding under Chapter 9 of the Bankruptcy Code, the parties to the proceedings may be prohibited from taking any action to collect any amount from the District or the County (including *ad valorem* tax revenues) or to enforce any obligation of the District, without the bankruptcy court's permission. In such a proceeding, as part of its plan of adjustment in bankruptcy, the District may be able to alter the priority, interest rate, principal amount, payment terms, collateral, maturity dates, payment sources, covenants (including tax-related covenants), and other terms or provisions of the Bonds and other transaction documents related to the Bonds, including the obligation of the County and the District to raise taxes if necessary to pay the Bonds, if the bankruptcy court determines that the plan is fair and equitable and otherwise complies with the Bankruptcy Code. There also may be other possible effects of a bankruptcy of the District that could result in delays or reductions in payments on the Bonds. Regardless of any specific adverse determinations in any District bankruptcy proceeding, the fact of a District bankruptcy proceeding could have an adverse effect on the liquidity and market price of the Bonds.

Limitations on Plans of Adjustments. Chapter 9 of the Bankruptcy Code provides that it does not limit or impair the power of a state to control, by legislation or otherwise, a municipality of or in the state, in the exercise of its political or governmental powers, including expenditures for such exercise. In addition, Chapter 9 provides that a bankruptcy court may not interfere with the political or governmental powers of the debtor, unless the debtor consents to that action or the plan so provides. State law provides that *ad valorem* taxes may be levied to pay the principal of and interest on the Bonds and other voted general obligation bonds of the District in an unlimited amount, and that proceeds of such a levy must be used for the payment of principal of and interest on the District's general obligation bonds, including the Bonds, and for no other purpose. Under State law, the District's share of the 1% limited tax imposed by the County is the only *ad valorem* tax revenue that may be raised and expended to pay liabilities and expenses of the District other than its voter-approved debt, such as its general obligation bonds. If the State law restriction on the levy and expenditure of *ad valorem* taxes is respected in a bankruptcy case, then *ad valorem* tax revenue in excess of the District's share of the 1% limited County tax could not be used by the District for any purpose under its plan other than to make payments on the Bonds and its other voted general obligation bonds. It is possible, however, that a bankruptcy court could conclude that the restriction should not be respected.

Statutory Lien. Pursuant to State law, all general obligation bonds issued by local agencies, including the Bonds, are secured by a statutory lien on all revenues received pursuant to the levy and collection of the *ad valorem* taxes. State law provides that the lien automatically arises, without the need for any action or authorization by the local agency or its governing board, and is valid and binding from the time the bonds are executed and delivered. As a result, the lien on debt service taxes will continue to be valid with respect to post-petition receipts of debt service taxes, should the District become the subject of bankruptcy proceedings. However, the automatic stay provisions of the Bankruptcy Code would apply, preventing bondholders from enforcing their rights to payment from such taxes, so payments that become due and owing on the Bonds during the pendency of the Chapter 9 proceeding could be delayed.

Special Revenues. If the *ad valorem* tax revenues that are pledged to the payment of the Bonds are determined to be "special revenues" within the meaning of the Bankruptcy Code, then the application in a manner consistent with the Bankruptcy Code of the pledged *ad valorem* tax revenues that are collected after the date of the bankruptcy filing should not be subject to the automatic stay. "Special revenues" are defined to include, among others, taxes specifically levied to finance one or more projects or systems of the debtor, but excluding receipts from general property, sales, or income taxes levied to finance the general purposes of the debtor. The District has specifically pledged the *ad valorem* taxes for payment of the Bonds. The Bonds and the District's other general obligation bonds were approved at elections held on propositions that described the projects for which such bonds may be issued. As noted above, State law prohibits the use of the proceeds of the District's debt service tax for any purpose other than payment of its general obligation bonds, and the bond proceeds may only be used to fund the acquisition or improvement of real property and other capital expenditures included in the proposition, so such tax revenues appear to fit the definition of special revenues. However, there is no binding judicial precedent dealing with the treatment in bankruptcy proceedings of *ad valorem* tax revenues collected for the payment of general obligation bonds in the State, so no assurance can be given that a bankruptcy court would not hold otherwise.

The Bankruptcy Code provides that there is no stay of application of pledged special revenues to payment of indebtedness secured by such revenues. The United States Court of Appeals for the First Circuit, in a case arising out of the insolvency proceedings of Puerto Rico, recently held that this provision permitted voluntary payments of debt

service by the issuer of bonds backed by special revenues, but did not permit the bondholders to compel the issuer to make payments of debt service from special revenues. If this decision is followed by other courts, the holders of the Bonds may be prohibited from taking any action to require the District or the County to make payments on the Bonds without the bankruptcy court's permission. This could result in substantial delays in payments on the Bonds.

In addition, even if the *ad valorem* tax revenues are determined to be "special revenues," the Bankruptcy Code provides that special revenues can be applied to necessary operating expenses of the project or system, before they are applied to other obligations. This rule applies regardless of the provisions of the transaction documents. Thus, a bankruptcy court could determine that the District is entitled to use the *ad valorem* tax revenues to pay necessary operating expenses of the District and its schools, before the remaining revenues are paid to the owners of the Bonds.

Bondholders may experience delays or reductions in payments on the Bonds, the Bonds may decline in value or Bondholders may experience other adverse effects should the District file for bankruptcy.

Possession of Tax Revenues; Remedies. If the District goes into bankruptcy and the District or the County has possession of tax revenues (whether collected before or after commencement of the bankruptcy), and if the District or the County, as applicable, does not voluntarily pay such tax revenues to the Owners of the Bonds, it is not entirely clear what procedures the Owners of the Bonds would have to follow to attempt to obtain possession of such tax revenues, how much time it would take for such procedures to be completed, or whether such procedures would ultimately be successful. A similar risk would exist if the County goes into bankruptcy and has possession of tax revenues (whether collected before or after commencement of the bankruptcy).

Risk of Investment Losses. Pending delivery of *ad valorem* tax revenues to the Paying Agent, the County Treasurer may invest the *ad valorem* tax revenues in the Alameda County Investment Pool or in other investments. Should any of these investments suffer any losses, there may be delays or reductions in payments on the Bonds.

Opinion of Bond Counsel Qualified by Reference to Bankruptcy, Insolvency and Other Laws Relating to or Affecting Creditor's Rights. The proposed form of opinion of Bond Counsel, attached hereto as Appendix D, is qualified by reference to bankruptcy, insolvency and other laws relating to or affecting creditor's rights.

TAX MATTERS

[Tax-Exempt Bonds

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

To the extent the issue price of any maturity of the Tax-Exempt Bonds is less than the amount to be paid at maturity of such Tax-Exempt Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Tax-Exempt Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each beneficial owner thereof, is treated as interest on the Tax-Exempt Bonds which is excluded from gross income for federal income tax purposes and exempt from State personal income taxes. For this purpose, the issue price of a particular maturity of the Tax-Exempt Bonds is the first price at which a substantial amount of such maturity of the Tax-Exempt Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Tax-Exempt Bonds accrues daily over the term to maturity of such Tax-

Exempt Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Tax-Exempt Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Tax-Exempt Bonds. Beneficial owners of the Tax-Exempt Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Tax-Exempt Bonds with original issue discount, including the treatment of beneficial owners who do not purchase such Tax-Exempt Bonds in the original offering to the public at the first price at which a substantial amount of such Tax-Exempt Bonds is sold to the public.

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

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

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

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

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

Bond Counsel’s engagement with respect to the Tax-Exempt Bonds ends with the issuance of the Tax-Exempt Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the District or the beneficial owners regarding the tax-exempt status of the Tax-Exempt Bonds in the event of an audit examination by the IRS.

Under current procedures, beneficial owners would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the District legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Tax-Exempt Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Tax-Exempt Bonds, and may cause the District or the beneficial owners to incur significant expense.

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

Taxable Bonds

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

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

As used herein, “U.S. Holder” means a beneficial owner of a Taxable Bond that for U.S. federal income tax purposes is an individual citizen or resident of the United States, a corporation or other entity taxable as a corporation

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

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

U.S. Holders

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

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

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

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

Information Reporting and Backup Withholding. Payments on the Taxable Bonds generally will be subject to U.S. information reporting and possibly to “backup withholding.” Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate U.S. Holder of the Taxable Bonds may be subject to backup withholding at the current rate of 24% with respect to “reportable payments,” which include interest paid on the Taxable Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Taxable Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a TIN to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a “notified payee underreporting” described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or

credited against the U.S. Holder's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain U.S. holders (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. A holder's failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

Non-U.S. Holders

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

Disposition of the Taxable Bonds. Subject to the discussions below under the headings "Information Reporting and Backup Withholding" and "Foreign Account Tax Compliance Act ("FATCA") – U.S. Holders and Non-U.S. Holders," any gain realized by a Non-U.S. Holder upon the sale, exchange, redemption, retirement (including pursuant to an offer by the District or a deemed retirement due to defeasance of the Taxable Bond) or other disposition of a Taxable Bond generally will not be subject to U.S. federal income tax, unless (i) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business within the United States; or (ii) in the case of any gain realized by an individual Non-U.S. Holder, such holder is present in the United States for 183 days or more in the taxable year of such sale, exchange, redemption, retirement (including pursuant to an offer by the District) or other disposition and certain other conditions are met.

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

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

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

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

OTHER LEGAL MATTERS

Legal Opinion

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

Legality for Investment in the State of California

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

Continuing Disclosure

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

[During the five-year period preceding the date of this Official Statement, the District is not aware of any instance in which it has failed to comply in any material respect with its previous undertakings with regard to the Rule. The District has retained a dissemination agent to assist with complying with its continuing disclosure obligations under the Rule.]

No Litigation

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

The District is routinely subject to lawsuits and claims. There are several lawsuits against the District stemming from events that occurred between 1990 and 2018 which, if decided for the plaintiff, would materially adversely affect the District's finances. The litigation is ongoing and the District cannot predict the outcome of any of

the cases and may choose to settle one or more. The District cannot predict if or how any threatened litigation may affect its finances. The Bonds are payable from dedicated unlimited *ad valorem* property taxes that may not be lawfully used for any other purpose.]

MISCELLANEOUS

Ratings

[Rating Agency] has assigned its underlying rating of “[]” to the Bonds[, without regard to any policy of municipal bond insurance]. Rating agencies generally base their ratings on their own investigations, studies and assumptions. The rating reflects only the view of the rating agency furnishing the same, and any explanation of the significance of such rating should be obtained only from the rating agency providing the same. Such rating is not a recommendation to buy, sell or hold the Bonds. There is no assurance that any rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by the rating agency providing the same, if, in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of a rating may have an adverse effect on the market price of the Bonds. Neither the Underwriters nor the District has undertaken any responsibility after the offering of the Bonds to assure the maintenance of the rating or to oppose any such revision or withdrawal.

[In addition, S&P has assigned its rating of “[]” to the Insured Bonds, with a stable outlook, with the understanding that, upon delivery of the Insured Bonds, the Policy will be delivered by []. See “BOND INSURANCE.” Such rating is expected to be assigned solely as a result of the issuance of the Policy and will reflect only the rating agency’s view of the claims-paying ability and financial strength of []. Neither the District nor the Underwriters have made any independent investigation of the claims-paying ability of [] and no representation is made that any insured rating of the Insured Bonds based upon the purchase of the Policy will remain higher than the rating agency’s underlying rating of the Bonds described above, which did not take bond insurance into account. The existence of the Policy will not, of itself, negatively affect such underlying ratings. Thus, when making an investment decision, potential investors should carefully consider the ability of the District to pay principal and interest on the Insured Bonds and the claims paying ability of [], particularly over the life of the investment. Without regard to any bond insurance, the Bonds are payable from the proceeds of an *ad valorem* tax approved by the voters of the District pursuant to all applicable laws and constitutional requirements, and required to be levied by the County on property within the District in an amount sufficient for the timely payment of principal of and interest on the Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS.” However, any downward revision or withdrawal of any rating of [] may have an adverse effect on the market price or marketability of the Insured Bonds.]

Professionals Involved in the Offering

Orrick, Herrington & Sutcliffe LLP is acting as Bond Counsel and Disclosure Counsel with respect to the Bonds, and will receive compensation from the District contingent upon the sale and delivery of the Bonds. Isom Advisors, a Division of Urban Futures, Inc. is acting as the District’s Municipal Advisor with respect to the Bonds. Payment of the fees and expenses of the Municipal Advisor is also contingent upon the sale and delivery of the Bonds.

Underwriting

The Series 2023 Bonds are being purchased by Siebert Williams Shank & Co., LLC, as representative (the “**Representative**”) on behalf of itself and Stifel, Nicolaus & Company, Incorporated (“**Stifel**”) and, together with the Representative, the “**Underwriters**”), pursuant to the terms of a bond purchase agreement, dated _____, 2023 (the “**Purchase Contract**”) by and among the District, the County and the Representative. The Underwriters have agreed to purchase the Series 2023 Bonds at a price of \$ _____ (which represents the aggregate principal amount of the Series 2023 Bonds, plus \$ _____ [net] original issue premium and less \$ _____ Underwriters’ discount). Pursuant to the Series 2023 Purchase Contract, the Underwriters will purchase all of the Series 2023 Bonds if any are purchased, the obligation of the Underwriters to purchase the Series 2023 Bonds being subject to certain terms and conditions to be satisfied by the District.

The Underwriters may offer and sell the Bonds to certain dealers and others at prices lower than the public offering prices shown on the inside front cover page of this Official Statement. The offering prices may be changed from time to time by the Underwriters.

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ADDITIONAL INFORMATION

The purpose of this Official Statement is to supply information to purchasers of the Bonds. Quotations from and summaries and explanations of the Bonds and of the statutes and documents contained herein do not purport to be complete, and reference is made to such documents and statutes for full and complete statements of their provisions.

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

The District has duly authorized the delivery of this Official Statement.

OAKLAND UNIFIED SCHOOL DISTRICT

By: _____
Chief Business Officer

APPENDIX A

THE ECONOMY OF THE DISTRICT

The following economic data is presented for information purposes only. The Bonds are not a debt or obligation of the City of Oakland or the County of Alameda.

General

Information regarding the City of Oakland (the “**City**”) is provided in this APPENDIX A because economic data specific to the exact boundaries of the Oakland Unified School District (the “**District**”) is not available. Although the District encompasses slightly more land than the City, they are virtually coterminous and, therefore, the data provided herein is representative of the economy of the District. Data from the County of Alameda (the “**County**”) is provided where data for the City are not available.

As of January 1, 2023, the City has a population of approximately 419,556, and the County has a population of approximately 1,636,194. The City is located in the County and comprises approximately one-quarter of the County’s population. The City is located on the eastern shore of the San Francisco Bay (the “**Bay**”), approximately seven miles from San Francisco via the San Francisco-Oakland Bay Bridge. The City, approximately 53.8 square miles, is the largest and most established of the “East Bay” cities. Its geography ranges from industrialized areas in the west which border the Bay to suburban foothills in the east. The City is the hub of an extensive transportation network, which includes several interstate freeways, the western terminus of major railroad and trucking operations, and one of the largest container-ship ports in the United States. The City is also served by an international airport and the Bay Area Rapid Transit system (“**BART**”), which connects the City by commuter rail to destinations in the County as well as San Francisco, Contra Costa, San Mateo and Santa Clara counties. Formerly the industrial heart of the San Francisco Bay Area (the “**Bay Area**”), the City has developed into a diverse financial, commercial and governmental center. The City is the seat of government for the County and is the eighth most populous city in the State of California (the “**State**”).

The City has a diverse mix of traditional and new economy companies. Leading industries include business services, health care services, transportation, food processing, light manufacturing, government, arts, culture and entertainment. Prominent employers or businesses headquartered in the City include Pandora Radio, Kaiser Permanente, Dreyer’s Grand Ice Cream, Southwest Airlines, FedEx, Clorox Company, AT&T, U.S. Postal Service and Safeway Inc.

Culturally, the City is home to a regionally and nationally recognized symphony, many up-and-coming artistic and cultural institutions, an award-winning zoo, the Paramount Theater and the Fox Theater, a burgeoning restaurant scene, the recently remodeled Oakland Museum of California, and a vibrant nightlife. The City is also currently home to a major professional sports team, the Oakland Athletics, that play at a stadium within the City. At other times these venues are used for concerts, other sporting events and other purposes.

The City boasts one of the highest percentages of parks and open space per capita in the nation. The City counts lush green hills, forests, creeks, an estuary and two lakes among its natural amenities, and the extensive East Bay Regional Park District is easily accessible from the City.

Population

The following table sets forth the population of the City, the County and the State for the last 10 years. The City's population increased by approximately 1.0%, over this 10-year period.

City of Oakland, County of Alameda and State of California Population 2014 - 2023

Calendar Year	City of Oakland	County of Alameda	State of California
2014	414,065	1,590,729	38,556,731
2015	419,490	1,613,319	38,865,532
2016	424,717	1,631,230	39,103,587
2017	427,493	1,644,303	39,352,398
2018	428,750	1,651,760	39,519,535
2019	429,932	1,659,608	39,605,361
2020	433,144	1,682,353	39,538,223
2021	430,901	1,663,371	39,286,510
2022	421,806	1,644,248	39,078,674
2023	419,556	1,636,194	38,940,231

Source: California Department of Finance, E-4 Population Estimates for Cities, Counties, and the State, 2013-2023, with 2023 Census Benchmark for 2013-2023.

Employment

The following table sets forth industries in the County of Alameda in terms of employment in each respective industry, as estimated by the State of California Employment Development Department as follows:

County of Alameda Employment by Industry Group Annual Averages 2018 – 2022⁽¹⁾

Industry	2018	2019	2020	2021	2022
Farm	600	700	700	1,000	800
Mining, Logging & Construction	49,000	49,600	46,700	48,700	48,400
Manufacturing	84,700	85,000	83,700	91,800	97,900
Trade, Transportation & Utilities	139,700	138,800	129,400	134,000	137,800
Information	20,000	20,500	19,900	18,800	19,000
Financial Activities	28,000	28,400	27,000	27,100	27,400
Professional & Business Services	134,000	136,600	128,900	134,400	139,100
Educational & Health Services	123,600	126,000	121,800	125,100	129,900
Leisure & Hospitality	76,400	78,000	53,000	57,900	68,100
Other Services	27,500	27,500	22,500	23,800	26,700
Government	123,900	124,100	118,400	114,500	113,000

⁽¹⁾ Employment is reported by place of work; it does not include persons involved in labor-management disputes. Figures are rounded to the nearest hundred. Columns may not add to totals due to rounding.

Source: California Employment Development Department.

Industry and Employment

The following table sets forth estimates of the labor force, civilian employment, unemployment and unemployment rates for City residents, County residents and State residents from calendar years 2014 through 2022. The California Employment Development Department reported unemployment rates for 2022 at 4.2% for the State, 3.3% for the County and 3.9% for the City (not seasonally adjusted).

City of Oakland, County of Alameda and State of California Civilian Labor Force, Employment and Unemployment Annual Average 2014 – 2022

	Labor Force	Civilian Employment	Unemployment	Unemployment Rate (%)
City of Oakland				
2014	207,000	191,900	15,100	7.3%
2015	208,900	196,500	12,300	5.9
2016	210,000	199,800	10,300	4.9
2017	212,100	203,200	8,900	4.2
2018	214,300	206,800	7,500	3.5
2019	216,000	208,700	7,300	3.4
2020	210,700	187,900	22,800	10.8
2021	207,400	192,100	15,300	7.4
2022	209,000	200,900	8,100	3.9
County of Alameda				
2014	806,300	758,800	47,500	5.9%
2015	819,000	779,900	39,100	4.8
2016	831,800	796,000	35,800	4.3
2017	838,200	807,100	31,100	3.7
2018	841,600	815,800	25,700	3.1
2019	843,000	815,900	25,200	3.0
2020	819,700	746,500	73,200	8.9
2021	813,000	763,500	49,500	6.1
2022	825,600	798,400	27,200	3.3
State of California				
2014	18,676,700	17,264,500	1,412,200	7.6%
2015	18,824,100	17,647,400	1,176,700	6.3
2016	19,012,000	17,965,400	1,046,600	5.5
2017	19,185,400	18,258,100	927,300	4.8
2018	19,289,500	18,469,900	819,600	4.2
2019	19,413,200	18,617,900	795,300	4.1
2020	18,971,600	17,047,600	1,924,000	10.1
2021	18,973,400	17,586,300	1,387,100	7.3
2022	19,252,000	18,440,900	811,100	4.2

Source: State of California Employment Development Department – Unemployment Rates (Labor Force).

Major Employers

The following tables set forth the top ten major employers in the City and the principal employers in the County.

City of Oakland Major Employers

Employer	Number of Employees
Kaiser Permanente Medical Group, Kaiser Foundation Hospitals and Health Plan	11,500
County of Alameda	8,000
Oakland Unified School District	5,000
City of Oakland	4,000
State of California	3,500
San Francisco BART District	3,500
United Parcel Service	2,500
Alameda County Medical Center	2,500
Southwest Airlines	2,000
Children's Hospital & Research Center	2,000

Source: City of Oakland Annual Comprehensive Financial Report for the year ended June 30, 2022.

County of Alameda Principal Employers

Employer	Number of Employees
Kaiser Permanente Medical Group Inc.	34,666
Tesla	13,000
Safeway Inc.	9,731
County of Alameda	9,424
Sutter Health	9,377
John Muir Health	6,300
PG&E Corp.	5,100
Workday	5,098
Chevron Corp.	4,700
Wells Fargo Bank	4,354

Source: County of Alameda Annual Comprehensive Financial Report for the year ended June 30, 2021. County of Alameda Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022 is not available.

Construction Activity

The following table sets forth a summary of housing unit building permits in the City and the County.

**City of Oakland and the County of Alameda
Housing Unit Building Permits
2018 – 2022**

	2018	2019	2020	2021	2022
City of Oakland					
Units in Single-Family Structures	117	313	124		
Units in All Multi-Family Structures	3,619	1,626	886		
Total Units	3,736	1,939	990		
County of Alameda					
Units in Single-Family Structures	1,831	1,871	1,152		
Units in All Multi-Family Structures	6,147	4,145	2,610		
Total Units	7,978	6,016	3,762		

Sources: Construction Industry Research Board (CIRB) and California Homebuilding Foundation (CHF) for 2018-22.

The following table sets forth a summary of non-residential valuation for the City and the County.

**City of Oakland and the County of Alameda
Non-Residential Building Permit Valuations
2018 – 2022⁽¹⁾**

	2018	2019	2020	2021	2022
City of Oakland	\$ 414,962,721	\$ 508,467,142	\$144,673,996		
County of Alameda	1,727,902,192	1,794,925,381	998,193,989		

⁽¹⁾ Includes non-residential valuation for hotels and motels, non-housekeeping shelter, recreational, churches, industrial, parking garages, service stations, hospitals, offices, public work, schools education, retail, other non-residential buildings, structures other than buildings, non-residential alterations and residential garages.

Sources: CIRB and CHF.

Median Housing Price

The median price of a single-family home in the City increased from \$377,500 in 2013 to \$850,000 in 2022. The median price of a single-family home in the County increased from \$483,000 in 2013 to \$1,050,000 in 2022.

City of Oakland and County of Alameda Median Housing Prices 2013 – 2022⁽¹⁾

Year	City of Oakland	County of Alameda
2013	\$377,500	\$483,000
2014	430,000	561,000
2015	520,000	630,000
2016	565,000	676,250
2017	635,000	750,000
2018	700,000	826,000
2019	725,000	822,000
2020	796,500	860,000
2021	797,000	1,000,000
2022	850,000	1,050,000

⁽¹⁾ Most recent data available as of the date of this Official Statement.

Source: CoreLogic, provided by DQNews.

Income

Personal income in the San Francisco – Oakland – Hayward Metropolitan Statistical Area (which is larger than the District, and which contains the District) increased by 51.0% from 2012 to 2018. Per capita personal income in the area grew by 42.3% in that same time period. The following table summarizes personal income for the San Francisco – Oakland – Hayward Metropolitan Statistical Area, which encompasses the District, for the calendar years 2012 through 2018.

Personal Income and Per Capita Income San Francisco – Oakland – Hayward Metropolitan Statistical Area 2012 – 2018⁽¹⁾

Year	Personal Income (\$ in Thousands)	Annual Percent Change	Per Capita Income	Annual Percent Change
2012	\$313,789,675	8.9%	\$70,428	7.5%
2013	322,045,787	2.6	71,255	1.2
2014	350,086,443	8.7	76,355	7.2
2015	384,100,296	9.7	82,639	8.2
2016	408,941,255	6.5	87,228	5.6
2017	439,032,236	7.4	93,165	6.8
2018	473,747,078	7.9	100,236	7.6

⁽¹⁾ Most recent data available as of the date of this Official Statement.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Per Capita Personal Income by Metropolitan Area, 2012-2018.

Personal income in the San Francisco – Oakland – Berkeley Metropolitan Statistical Area (which is larger than the District, and which contains the District) increased by 18.3% from 2019 to 2021. Per capita personal income in the area grew by 21.8% in that same time period. The following table summarizes personal income for the

San Francisco – Oakland – Berkeley Metropolitan Statistical Area, which encompasses the District, for the calendar years 2019 through 2021.

**Personal Income and Per Capita Income
San Francisco – Oakland – Hayward Metropolitan Statistical Area
2019 – 2021⁽¹⁾**

Year	Personal Income (\$ in Thousands)	Annual Percent Change	Per Capita Income	Annual Percent Change
2019	\$483,631,903	-	\$101,569	-
2020	522,980,548	8.1%	110,342	8.6%
2021	571,947,556	9.4	123,711	12.1

⁽¹⁾ Most recent data available as of the date of this Official Statement.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Per Capita Personal Income by Metropolitan Area, 2012-2021.

Retail Sales

The following tables set forth a history of taxable sales for the City and County for calendar years 2014 through 2022.

**City of Oakland and County of Alameda
Taxable Sales 2014 – 2022⁽¹⁾
(\$ in Thousands)**

Taxable Sales	Retail and Food Services		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
City of Oakland				
2014	7,797	\$3,041,086	10,742	\$4,357,407
2015	8,080	3,159,286	12,264	4,455,627
2016	8,054	3,135,414	12,391	4,459,606
2017	8,029	3,313,744	12,399	4,762,251
2018	8,368	3,436,505	13,500	4,939,330
2019	8,669	3,434,995	14,256	4,957,551
2020	8,557	2,635,586	14,260	3,850,497
2021	8,184	3,201,805	13,673	4,604,927
2022	8,220	3,559,230	13,873	5,200,657
County of Alameda				
2014	27,152	\$17,820,857	40,746	\$28,377,714
2015	27,339	18,702,806	44,548	29,770,157
2016	27,517	19,386,688	45,165	30,958,480
2017	27,431	20,786,502	45,232	32,702,082
2018	27,816	22,857,349	47,402	35,073,302
2019	28,375	21,921,742	49,197	35,116,163
2020	28,831	19,931,258	50,461	32,176,001
2021	26,964	22,602,772	47,565	37,935,594
2022	27,010	23,910,667	48,059	44,323,669

⁽¹⁾ Most recent data available as of the date of this Official Statement.

Source: California State Board of Equalization, Taxable Sales in California for 2014 through 2022.

APPENDIX B

INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET

The information in this appendix concerning the operations of the Oakland Unified School District (the "District"), the District's finances, and State of California (the "State") funding of education, is provided as supplementary information only, and it should not be inferred from the inclusion of this information in this Official Statement that the principal of or interest on the Bonds is payable from the general fund of the District or from State revenues. Each series of the Bonds is payable from the proceeds of an unlimited ad valorem tax approved by the voters of the District pursuant to all applicable laws and State Constitutional requirements, and required to be levied by the County of Alameda (the "County") on property within the District in an amount sufficient for the timely payment of principal of and interest on each series of the Bonds. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" in the front portion of this Official Statement.

THE DISTRICT

General

The Oakland Unified School District (the "District") is located in and is approximately coterminous with the City of Oakland, California (the "City"), located on the east side of the San Francisco Bay, approximately seven miles from San Francisco. The District's boundaries also include small portions of the neighboring Cities of Emeryville and Alameda. The District encompasses approximately 53.8 square miles, including a diverse economy of industry, services, health care, retail and other commercial activity. As of January 1, 2023, the City has a population of approximately [____], and the County has a population of approximately [____]. The District was unified in 1952, combining then-existing high school and elementary school districts.

[The District currently operates forty-eight elementary schools serving grades K-5, one elementary school serving grades TK-5, eleven middle schools serving grades 6-8, twelve comprehensive senior high schools serving grades 9-12, two middle/high schools serving grades 6-12, one continuation school program and two alternative school programs. Forty-three charter schools currently operate within the District's boundaries.] The District has projected enrollment for fiscal year 2023-24 of approximately 33,683 students in grades K-12, not including the students attending the charter schools. As of June 30, 2022, the District has budgeted to employ approximately 4,435.4 full-time equivalent ("FTE") employees, including 2,285.0 FTE certificated (teaching) employees, 1,636.5 FTE classified (non-teaching) employees and 513.9 management, supervisory and confidential employees. According to the adopted budget for fiscal year 2023-24, the District's budgeted fiscal year 2023-24 general fund expenditures are approximately \$802.8 million.

Board of Education

The District operates under the jurisdiction of the Alameda County Superintendent of Schools. The governing board of the District is the Board of Education (the "Board of Education"). The Board of Education consists of seven members who are elected by Trustee Area to staggered four-year terms and two student board members who participate on an advisory basis. The name, office and the month and year of the expiration of the term of the seven elected members of the Board of Education are described below.

Name	Office	District	Term Expires
Mike Hutchinson	President	District 4	January 2027
Benjamin "Sam" Davis	Vice President	District 1	January 2025
Jennifer Brouhard	Director	District 2	January 2027
VanCedric Williams	Director	District 3	January 2025
Vacant	Director	District 5	-
Valarie Bachelor	Director	District 6	January 2025
Clifford Thompson	Director	District 7	January 2027

Superintendent and Key Personnel

The Superintendent of the District is appointed by the Board of Education and reports to the Board of Education. The Superintendent is responsible for management of the District's day-to-day operations and supervises the work of other key District administrators. Information concerning the Superintendent and certain other key administrative personnel is set forth below.

Dr. Kyla Johnson-Trammell, Superintendent. On May 10, 2017, the Board of Education announced that Dr. Johnson-Trammell was selected to serve as Superintendent of the District and she began serving in the role in July 2017. In August 2021, the Board of Education approved a contract extension for Dr. Johnson-Trammell to continue serving as Superintendent for another three years. Prior to being appointed Superintendent, Dr. Johnson-Trammell served as the District's Interim Deputy Superintendent, Academic and Social Emotional Learning from February 2017 to July 2017. Prior to her role as Interim Deputy Superintendent, Dr. Johnson-Trammell served the District in a variety of roles, including as Network Superintendent of Elementary Schools, Associate Superintendent of Leadership, Curriculum and Instruction, and Administrator on Special Assignment. Prior to those roles, she served the District as Principal of an elementary school, Assistant Principal of a middle school, and as an elementary school teacher. Dr. Johnson-Trammell has a bachelor's degree in Communications from the University of Pennsylvania as well as a Master's degree in Educational Leadership and a Doctor of Education degree in Educational Leadership from the University of California, Berkeley.

Dr. Dexter Moore, Jr., Acting Chief of Staff. [Bio to come]

Lisa Grant-Dawson, Chief Business Officer. Ms. Grant-Dawson joined the District as Chief Business Officer in April 2020. Prior to her role as Chief Business Officer, Ms. Grant-Dawson served as Chief Business Official for Jack and Jill of America, Inc. Prior to that role, she provided leadership in business services roles at other California school districts, including as Chief Business Official for Stockton Unified School District, Assistant Superintendent, Business Services for Hayward Unified School District, and Chief Business Officer for Vallejo City Unified School District. Prior to those roles, she served in senior accountancy roles with ALZA Corporation and Fresh Express LLC. Ms. Grant-Dawson has a bachelor's degree in Accounting and Finance from Tuskegee University as well as a bachelor's degree in Business Management and a Master of Business Administration degree with a focus on Accounting and Business/Management from the University of Phoenix-Sacramento Valley Campus.

Jenine Lindsey, Interim General Counsel. [Bio to come]

Fiscal Oversight

In connection with the emergency financial assistance provided to the District by the State in fiscal year 2002-03, the State Superintendent of Public Instruction (the “**State Superintendent**”) appointed a trustee for the District (the “**Fiscal Oversight Trustee**”). The Fiscal Oversight Trustee serves at the pleasure of, and reports directly to, the County Superintendent of Schools, until (i) the emergency loan (the “**Emergency Apportionment Loan**”) is repaid, (ii) the District has adequate fiscal systems and controls in place and (iii) the County Superintendent of Schools has determined that the District’s future compliance with the Recovery Plan (as defined below) is probable. During their tenure, the Fiscal Oversight Trustee is empowered to stay or rescind any action of the Board of Education that, in the judgment of the Fiscal Oversight Trustee, may affect the District’s financial condition.

Assembly Bill 1840 (which became effective on September 17, 2018) (“**AB 1840**”) required the District to take certain actions by March 1, 2019, for fiscal year 2018-19, regarding its financial plans and construction plans, in collaboration with and with the concurrence of the Alameda County Superintendent of Schools and the Fiscal Crisis and Management Assistance Team. AB 1840 provides that, in fiscal years 2019-20 through 2021–22, the Budget Act of the State for those fiscal years shall include certain appropriations for the District, with the disbursement of moneys from those appropriations contingent upon the completion of activities specified in the prior year Budget Act to improve the District’s fiscal solvency. In connection with AB 1840, Chris Learned was appointed the Fiscal Oversight Trustee for the District on July 1, 2017, by the State Superintendent. Subsequently, Luz Cázares was appointed as the Fiscal Oversight Trustee for the District effective September 1, 2021. Prior to her appointment as Fiscal Oversight Trustee, Ms. Cázares had nearly 20 years of experience serving K-12 school districts. Ms. Cázares has previously served as the District’s Interim Chief Financial Officer during the 2019-20 school year and assisted with ACOE’s Intensive Support and Technical Assistance initiative during the 2020-21 school year. Ms. Cázares has a Bachelor’s degree in public policy studies and a Master in Public Policy degree.

[Ms. Cázares has informed the District that she will not rescind the Board of Education’s authorization of the Bonds because the issuance of the Bonds will not impact the District’s financial condition.]

Strategic Plan; School Closures

In November 2014, the District released a five-year strategic plan (the “**Strategic Plan**”) for 2015-2020 with five goals: (i) providing every student with access to a high-quality school; (ii) ensuring each student is prepared for college, career and community success; (iii) staffing every school with talented individuals committed to working in service of children; (iv) creating a school district that holds itself and its partners accountable for superior outcomes; and (v) guaranteeing rigorous instruction in every classroom. The Strategic Plan also identified three major priorities: (1) creating effective talent programs; (2) creating an accountable school district; and (3) creating quality community schools. The District has also adopted a Local Control and Accountability Plan (“**LCAP**”) that identifies specific goals and actions in line with the Strategic Plan. In addition, in 2017 the Superintendent outlined three Districtwide priorities: Fiscal Vitality, Quality Community Schools and Organizational Wellness.

The District has also developed the Board of Education-approved Community of Schools Citywide Plan (the “**Citywide Plan**”) that maps out a sustainable District footprint based on several data points related to enrollment projections, city demographic projections, and geographic data relating to where students live and attend schools. The data show that the District’s projected student population would be served more efficiently with up to 24 fewer buildings or campuses than are currently being utilized. Simultaneously, the District is evaluating revenue generation opportunities with its available surplus property. Accordingly, the Board of Education has appointed a 7-11 Committee which is involved in making recommendations to the Board of Education about whether vacant properties should be considered surplus properties and to provide recommendations about the potential uses for any surplus property, including the use of surplus property to generate revenue. In April 2019, the Board of Education appointed 11 members to the 7-11 Committee and directed the 7-11 Committee to start meeting in August 2019. The 7-11 Committee continues to consider vacated properties, which may result in recommendations that such properties be considered surplus as well as potential uses of such properties.

[The Citywide Plan was originally expected to be implemented over five years, with cohorts of new consolidations, mergers, closures and redesigned schools identified annually in each selection year, a planning phase

and subsequent implementation. However, COVID-19 disruptions led the Board of Education to approve a new timeline for Cohort III, delayed by two years and spanning fiscal years 2021-22 through 2023-24.

Cohort I merged two elementary schools and two middle schools, closed one middle school, and expanded a successful high school program, resulting in a net of three fewer schools. Cohort II merged two elementary schools and two middle schools, redesigned an elementary school, and expanded a successful TK-8 program, resulting in a net of two fewer schools. Additionally, the District merged a charter school and District elementary school, which opened for the 2021-22 school year as a unified school. The District began the selection year for Cohort III during fiscal year 2021-22, but ceased considering school consolidations or moving forward with the Citywide Plan as of October 2021.]

DISTRICT FINANCIAL MATTERS

State Funding of Education; State Budget Process

General. As is true for all school districts in California, the District’s operating income consists primarily of two components: a State portion funded from the State’s general fund in accordance with the Local Control Funding Formula (see “– Allocation of State Funding to School Districts; Local Control Funding Formula” below) and a local portion derived from the District’s share of the 1% local *ad valorem* tax authorized by the State Constitution (see “– Local Sources of Education Funding” below). In addition, school districts may be eligible for other special categorical funding from State and federal government programs. The District projects receipt of approximately 57.6% of its general fund revenues from State funds (not including the local portion derived from the District’s share of the local *ad valorem* tax), projected at approximately \$465.8 million in fiscal year 2023-24. Such amount includes both the State funding provided under the LCFF (defined herein) as well as other State revenues (see “– Allocation of State Funding to School District; Local Control Funding Formula” and “– Other District Revenues – Other State Revenues” below). As a result, decreases or deferrals in State revenues, or in State legislative appropriations made to fund education, may affect the District’s revenues and operations.

Under Proposition 98, a constitutional and statutory amendment adopted by the State’s voters in 1988 and amended by Proposition 111 in 1990 (now found at Article XVI, Sections 8 and 8.5 of the State Constitution), a minimum level of funding is guaranteed to school districts, community college districts and other State agencies that provide direct elementary and secondary instructional programs. Recent years have seen frequent disruptions in State revenues from personal income taxes, sales and use taxes, and corporate taxes, making it increasingly difficult for the State to meet its Proposition 98 funding mandate, which normally commands about 45% of all State general fund revenues, while providing for other fixed State costs and priority programs and services. Because education funding constitutes such a large part of the State’s general fund expenditures, it is generally at the center of annual budget negotiations and adjustments.

In connection with the State Budget Act for fiscal year 2013-14, the State and local educational agencies (“LEA”) therein implemented a new funding formula for school finance system called the Local Control Funding Formula (the “**Local Control Funding Formula**” or “**LCFF**”). Funding from the LCFF replaced the revenue limit funding system and most categorical programs. See “– Allocation of State Funding to School Districts; Local Control Funding Formula” below for more information.

State Budget Process. According to the State Constitution, the Governor must propose a budget to the State Legislature no later than January 10 of each year, and a final budget must be adopted no later than June 15. Historically, the budget required a two-thirds vote of each house of the State Legislature for passage. However, on November 2, 2010, the State’s voters approved Proposition 25, which amended the State Constitution to lower the vote requirement necessary for each house of the State Legislature to pass a budget bill and send it to the Governor. Specifically, the vote requirement was lowered from two-thirds to a simple majority (50% plus one) of each house of the State Legislature. The lower vote requirement also would apply to trailer bills that appropriate funds and are identified by the State Legislature “as related to the budget in the budget bill.” The budget becomes law upon the signature of the Governor, who may veto specific items of expenditure. Under Proposition 25, a two-thirds vote of the State Legislature is still required to override any veto by the Governor. School district budgets must generally be adopted by July 1, and revised by the school board within 45 days after the Governor signs the budget act to reflect any changes in budgeted revenues

and expenditures made necessary by the adopted State budget. The Governor signed the fiscal year 2023-24 State budget on June 27, 2023.

When the State budget is not adopted on time, basic appropriations and the categorical funding portion of each school district's State funding are affected differently. Under the rule of *White v. Davis* (also referred to as *Jarvis v. Connell*), a State Court of Appeal decision reached in 2002, there is no constitutional mandate for appropriations to school districts without an adopted budget or emergency appropriation, and funds for State programs cannot be disbursed by the State Controller until that time, unless the expenditure is (i) authorized by a continuing appropriation found in statute, (ii) mandated by the State Constitution (such as appropriations for salaries of elected State officers), or (iii) mandated by federal law (such as payments to State workers at no more than minimum wage). The State Controller has consistently stated that basic State funding for schools is continuously appropriated by statute, but that special and categorical funds may not be appropriated without an adopted budget. Should the State Legislature fail to pass a budget or emergency appropriation before the start of any fiscal year, the District might experience delays in receiving certain expected revenues. The District is authorized to borrow temporary funds to cover its annual cash flow deficits, and as a result of the *White v. Davis* decision, the District might find it necessary to increase the size or frequency of its cash flow borrowings, or to borrow earlier in the fiscal year. The District does not expect the *White v. Davis* decision to have any long-term effect on its operating budgets.

Aggregate State Education Funding. The Proposition 98 guaranteed amount for education is based on prior-year funding, as adjusted through various formulas and tests that take into account State proceeds of taxes, local property tax proceeds, school enrollment, per-capita personal income, and other factors. The State's share of the guaranteed amount is based on State general fund tax proceeds and is not based on the general fund in total or on the State budget. The local share of the guaranteed amount is funded from local property taxes. The total guaranteed amount varies from year to year and throughout the stages of any given fiscal year's budget, from the Governor's initial budget proposal to actual expenditures to post-year-end revisions, as better information regarding the various factors becomes available. Over the long run, the guaranteed amount will increase as enrollment and per capita personal income grow.

If, at year-end, the guaranteed amount is calculated to be higher than the amount actually appropriated in that year, the difference becomes an additional education funding obligation, referred to as "settle-up." If the amount appropriated is higher than the guaranteed amount in any year, that higher funding level permanently increases the base guaranteed amount in future years. The Proposition 98 guaranteed amount is reduced in years when general fund revenue growth lags personal income growth, and may be suspended for one year at a time by enactment of an urgency statute. In either case, in subsequent years when State general fund revenues grow faster than personal income (or sooner, as the Legislature may determine), the funding level must be restored to the guaranteed amount, the obligation to do so being referred to as "maintenance factor."

Although the State Constitution requires the State to approve a balanced State Budget Act each fiscal year, the State's response to fiscal difficulties in some years has had a significant impact on the Proposition 98 minimum guarantee and the treatment of settle-up payments with respect to years in which the Proposition 98 minimum guarantee was suspended. The State has sought to avoid or delay paying settle-up amounts when funding has lagged the guaranteed amount. In response, teachers' unions, the State Superintendent and others sued the State or Governor in 1995, 2005, 2009 and 2011 to force them to fund schools in the full amount required. The settlement of the 1995 and 2005 lawsuits has so far resulted in over \$4 billion in accrued State settle-up obligations. However, legislation enacted to pay down the obligations through additional education funding over time, including the Quality Education Investment Act of 2006, have also become part of annual budget negotiations, resulting in repeated adjustments and deferrals of the settle-up amounts.

The State has also sought to preserve general fund cash while avoiding increases in the base guaranteed amount through various mechanisms: by treating any excess appropriations as advances against subsequent years' Proposition 98 minimum funding levels rather than current year increases; by temporarily deferring apportionments of Proposition 98 funds from one fiscal year to the next; by permanently deferring apportionments of Proposition 98 funds from one fiscal year to the next; by suspending Proposition 98, as the State did in fiscal year 2004-05, fiscal year 2010-11, fiscal year 2011-12 and fiscal year 2012-13; and by proposing to amend the State Constitution's definition of the guaranteed amount and settle-up requirement under certain circumstances.

The District cannot predict how State income or State education funding will vary over the term to maturity of the Bonds, and the District takes no responsibility for informing owners of the Bonds as to actions the State Legislature or Governor may take affecting the current year's budget after its adoption. Information about the State budget and State spending for education is regularly available at various State-maintained websites. Text of proposed and adopted budgets may be found at the website of the Department of Finance, www.dof.ca.gov, under the heading "California Budget." An impartial analysis of the State budget is posted by the Office of the Legislative Analyst at www.lao.ca.gov. In addition, various State of California official statements, many of which contain a summary of the current and past State budgets and the impact of those budgets on school districts in the State, may be found at the website of the State Treasurer, www.treasurer.ca.gov. The information referred to is prepared by the respective State agency maintaining each website and not by the District, and the District can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted there, and such information is not incorporated herein by these references.

State Rainy Day Fund; SB 858. In connection with the 2014-15 State Budget, the Governor proposed certain constitutional amendments ("Proposition 2") to the rainy day fund (the "State Rainy Day Fund") for the November 2014 Statewide election. Senate Bill 858 (2014) ("SB 858") amends the Education Code to, among other things, limit the amount of reserves that may be maintained by a school district subject to certain State budget matters. Upon the approval of Proposition 2, SB 858 became operational. Senate Bill 751 (2017) ("SB 751") altered the reserve requirements imposed by SB 858. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 2."

AB 1469. As part of the 2014-15 State Budget, the Governor signed Assembly Bill ("AB 1469") which implements a new funding strategy for the California State Teachers' Retirement System ("CalSTRS"), increasing the employer contribution rate in fiscal year 2014-15 from 8.25% to 8.88% of covered payroll. See "– Retirement Benefits – CalSTRS" below for more information about CalSTRS and AB 1469.

2023-24 State Budget. The Governor signed the fiscal year 2023-24 State budget on June 27, 2023, which was amended through a series of legislative bills (as amended, the "2023-24 State Budget"). The 2023-24 State Budget reflects a downturn in revenues and slower revenue growth than previous projections due to declining stock prices, high inflation, rising interest rates and layoffs in high-wage sectors. The 2023-24 State Budget projects to address the shortfall in revenues by paying down the State's debt and using one-time surplus funds on one-time commitments. The 2023-24 State Budget includes a package of solutions to bridge an approximately \$31.7 billion shortfall while avoiding deep and damaging program cuts. Specifically, the 2023-24 State Budget shifts approximately \$9.3 billion of spending commitments from the State's general fund to other funds and reduces or pulls back approximately \$8.1 billion in previously approved State general fund spending. In addition, the 2023-24 State Budget delays approximately \$7.9 billion in spending across multiple years, includes approximately \$6.1 billion in additional revenue, primarily from the Managed Care Organization tax as well as internal borrowing from special fund balances not projected for programmatic purposes, and builds in approximately \$340.0 million in trigger reductions that are projected to be restored in the proposed budget for fiscal year 2024-25, assuming sufficient funds at that time. The 2023-24 State Budget avoids new significant ongoing commitments and maintains fiscal discipline by setting aside a record \$37.8 billion in total budgetary reserves. The 2023-24 State Budget notes that a tax filing delay due to unprecedented storms in fiscal year 2022-23 delayed the projected receipt of \$42.0 billion in State tax receipt to October 2023, including \$28.4 billion from personal income tax and \$13.3 billion from corporation tax, representing nearly one-fourth of the fiscal year 2022-23 total projected personal income tax, and nearly one-third of the fiscal year 2022-23 corporation tax.

The 2023-24 State Budget estimates total resources available in fiscal year 2022-23 were approximately \$260.9 billion, including revenues and transfers of approximately \$205.1 billion and a prior year balance of approximately \$55.8 billion, and total expenditures in fiscal year 2022-23 of approximately \$234.6 billion. The 2023-24 State Budget projects total resources available for fiscal year 2023-24 of approximately \$235.0 billion, inclusive of revenues and transfers of approximately \$208.7 billion and a prior year balance of approximately \$26.4 billion. The 2023-24 State Budget projects total expenditures in fiscal year 2023-24 of approximately \$225.9 billion, inclusive of non-Proposition 98 expenditures of approximately \$147.5 billion and Proposition 98 expenditures of approximately \$78.4 billion. Citing revenue risks and uncertainties, the 2023-24 State Budget includes a historic level of reserves as an important resiliency tool, setting aside a total of \$37.8 billion in fiscal year 2023-24 and allocates reserves as follows: approximately \$22.3 billion in the State Rainy Day Fund for fiscal

emergencies, approximately \$10.8 billion in the Proposition 98 Rainy Day Fund (Public School System Stabilization Account) (the “PSSSA” or the “**Proposition 98 Rainy Day Fund**”), approximately \$900.0 million in the Safety Net Reserve, and approximately \$3.8 billion to the State’s Special Fund for Economic Uncertainties (the “SFEU”). In addition, the 2023-24 State Budget allocates approximately \$5.3 billion of the State general fund’s projected fund balance in fiscal year 2023-24 to the State’s Reserve for Liquidation of Encumbrances. The State Rainy Day Fund is at its constitutional maximum of 10% of State general fund revenues.

The 2023-24 State Budget includes total funding of \$129.2 billion for all K-12 education programs, including \$79.5 billion from the State’s general fund and \$49.7 billion from other funds. The 2023-24 State Budget reflects significant Proposition 98 funding that enables increased support for core programs such as the LCFF, special education, transitional kindergarten, nutrition, and preschool.

Certain budgeted programs and adjustments for K-12 education set forth in the 2023-24 State Budget include the following:

- Proposition 98 Minimum Guarantee. The 2023-24 State Budget reflects Proposition 98 funding levels of \$110.6 billion in fiscal year 2021-22, \$107.4 billion in fiscal year 2022-23, and \$108.3 billion in fiscal year 2023-24. Such funding represents approximately 38.5% of the State’s general fund revenues, plus local property tax revenues. To accommodate enrollment increases related to the expansion of transitional kindergarten, the 2023-24 State Budget increased the funding level from approximately 38.2% to approximately 38.5% to increase the percentage of State general fund revenues due to the minimum guarantee.
- Proposition 98 Rainy Day Fund. The 2023-24 State Budget includes payments required to be made to the Proposition 98 Rainy Day Fund in fiscal years 2021-22 through 2023-24 for a total account balance of \$10.8 billion at the end of fiscal year 2023-24. The balance of approximately \$9.9 billion in fiscal year 2022-23 triggers a cap on school district reserves beginning in fiscal year 2023-24. See “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 2.” See also “DISTRICT FINANCIAL MATTERS – State Funding of Education; State Budget Process – *State Rainy Day Fund; SB 858.*”
- Local Control Funding Formula. The 2023-24 State Budget includes a LCFF cost-of-living adjustment of 8.22%, which is the largest cost-of-living adjustment in the history of LCFF. The 2023-24 State Budget provides approximately \$556.3 million ongoing Proposition 98 general fund resources to reflect the cost-of-living adjustment for specified categorical programs. The cost-of-living adjustment, when combined with declining enrollment adjustments, increases the year-over-year discretionary funds available to local education agencies by approximately \$3.4 billion. The 2023-24 State Budget also reflects the utilization of approximately \$1.6 billion one-time Proposition 98 State general fund resources to support the overall costs of the LCFF in fiscal year 2023-24, and provides an increase of approximately \$80.0 million ongoing Proposition 98 State general fund resources to support county offices of education serving students in juvenile court and other alternative school settings.
- Accountability Improvements and Equity Multiplier. To support accountability and a continuous improvement system to ensure student group and school site equity gaps within a local education agency are identified and addressed through the Local Control and Accountability Plan, the 2023-24 State Budget provides approximately \$300.0 million ongoing Proposition 98 State general fund resources to establish an Equity Multiplier as an add-on to the LCFF to accelerate gains in closing opportunity and outcome gaps, and approximately \$2.0 million ongoing Proposition 98 general fund resources to support the critical work of the new Equity Leads within the statewide system of support.
- Literacy. The 2023-24 State Budget provides approximately \$250.0 million one-time Proposition 98 general fund resources to build upon the existing Literacy Coaches and Reading Specialists Grant Program, which funds high-poverty schools to train and hire literacy coaches and reading specialists for one-on-one and small group intervention for struggling readers.
- State Preschool Program. The 2023-24 State Budget includes the following set asides to fund any adjustments related to reimbursement for preschool providers: approximately \$343.1 million in

Proposition 98 general fund resources and \$20,000 in non-Proposition 98 general fund resources from fiscal year 2022-23; approximately \$369.3 million in Proposition 98 general fund resources and \$126.1 million in general fund resources from fiscal year 2023-24; and approximately \$445.7 million in Proposition 98 general fund resources and \$186.5 million in general fund resources from fiscal year 2024-25. Consistent with this approach, the 2023-24 State Budget suspends the annual cost-of-living adjustment applicable to the State Preschool Program in fiscal years 2023-24 and 2024-25.

The 2023-24 State Budget reallocates approximately \$4.4 million non-Proposition 98 general fund resources and approximately \$5.3 million Proposition 98 general fund resources from the 2022-23 State budget to continue to waive family fees from July 1, 2023 through September 30, 2023, and provides approximately \$112.0 million in available federal funds to provide temporary stipends for State Preschool Program employees.

- Transitional Kindergarten. The 2023-24 State Budget provides approximately \$357.0 million in ongoing Proposition 98 general fund resources for fiscal year 2022-23 to support the first year of expanded eligibility for transitional kindergarten to all children turning five-years-old between September 2 and February 2. The 2023-24 State Budget also provides approximately \$283.0 million in Proposition 98 general fund resources to provide one additional certificated or classified staff person in each transitional kindergarten classroom. Additionally, the 2023-24 State Budget provides approximately \$597.0 million in ongoing Proposition 98 general fund resources beginning in fiscal year 2023-24 to support the second year of expanded eligibility for transitional kindergarten to all children turning five-years-old between September 2 and April 2. The 2023-24 State Budget also provides approximately \$165.0 million in Proposition 98 general fund resources to support the second year of adding one additional certificated or classified staff person in each transitional kindergarten classroom.
- Arts, Music, and Instructional Materials Discretionary Block Grant. The 2023-24 State Budget decreases one-time Proposition 98 general fund support for the Arts, Music, and Instructional Materials Block Grant by approximately \$200.0 million, reducing total one-time program support from approximately \$3.5 billion to approximately \$3.3 billion. The Arts and Music in Schools: Funding Guarantee and Accountability Act (Proposition 28) will provide approximately \$938.0 million ongoing Proposition 98 general fund resources beginning in fiscal year 2023-24.
- Learning Recovery Emergency Block Grant. The 2023-24 State Budget delays approximately \$1.1 billion one-time Proposition 98 general fund resources for the Learning Recovery Emergency Block Grant to fiscal years 2025-26, 2026-27, and 2027-28.
- Zero-Emission School Buses. The 2023-24 State Budget delays approximately \$1.0 billion one-time Proposition 98 general fund resources to support greening school bus fleets through programs operated by the California Air Resources Board and the California Energy Commission to fiscal years 2024-25 and 2025-26.
- California Preschool, Transitional Kindergarten and Full-Day Kindergarten Facilities Grant Program (FDK Program). The 2022-23 State budget included \$100.0 million one-time general fund resources and reflected an additional \$550.0 million in fiscal year 2023-24 to support the FDK Program. The 2023-24 State Budget delays the planned \$550.0 million investment for this program to fiscal year 2024-25.
- School Facility Program. The 2023-24 State Budget provides approximately \$2.0 billion one-time general fund resources, which is \$100.0 million less than previously planned, to support the School Facility Program in fiscal year 2023-24.
- Nutrition. The 2023-24 State Budget provides an additional \$154.0 million in ongoing Proposition 98 general fund resources and an additional \$110.0 million one-time Proposition 98 general fund resources to fully fund the universal school meals program in fiscal years 2022-23 and 2023-24.

- Bipartisan Safer Communities Act, Stronger Connections Program. The 2023-24 State Budget provides approximately \$119.6 million in one-time federal funds to support local education activities related to improving school climate and safety through the Stronger Connections Program.
- Charter School Facility Grant Program. Consistent with the 2022-23 State budget, the 2023-24 State Budget provides a one-time investment of \$30.0 million Proposition 98 general fund resources to support eligible facilities costs.

The complete 2023-24 State Budget is available from the California Department of Finance website at www.dof.ca.gov or www.ebudget.ca.gov. The District can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted therein, and such information is not incorporated herein by such reference.

Future Budgets and Budgetary Actions. The District cannot predict what future actions will be taken by the State legislature and the Governor to address changing State revenues and expenditures, collection and receipt of tax revenues due to tax filing delay, funding of delayed investments, or the impact such actions will have on State revenues available in the current or future years for education. The 2023-24 State Budget will be affected by national and State economic conditions and other factors beyond the District’s ability to predict or control. Certain actions could result in a significant shortfall of revenue and cash and could impair the State’s ability to fund schools during fiscal year 2023-24 and in future fiscal years. Certain factors, like an economic recession, could result in State budget shortfalls in any fiscal year and could have a material adverse financial impact on the District. As the Bonds are payable from *ad valorem* property taxes, the 2023-24 State Budget is not expected to have a material impact on the payment of the Bonds.

Prohibitions on Diverting Local Revenues for State Purposes. Beginning in fiscal year 1992-93, the State satisfied a portion of its Proposition 98 obligations by shifting part of the property tax revenues otherwise belonging to cities, counties, special districts, and redevelopment agencies, to school and community college districts through a local Educational Revenue Augmentation Fund (“ERAF”) in each county. Local agencies, objecting to invasions of their local revenues by the State, sponsored a statewide ballot initiative intended to eliminate the practice. In response, the State Legislature proposed an amendment to the State Constitution, which the State’s voters approved as Proposition 1A at the November 2004 election. That measure was generally superseded by the passage of a new initiative constitutional amendment at the November 2010 election, known as “Proposition 22.”

The effect of Proposition 22 is to prohibit the State, even during a period of severe fiscal hardship, from delaying the distribution of tax revenues for transportation, redevelopment, or local government projects and services. It prevents the State from redirecting redevelopment agency property tax increment to any other local government, including school districts, or from temporarily shifting property taxes from cities, counties and special districts to schools, as in the ERAF program. This is intended to, among other things, stabilize local government revenue sources by restricting the State’s control over local property taxes. One effect of this amendment will be to deprive the State of fuel tax revenues to pay debt service on most State bonds for transportation projects, reducing the amount of State general fund resources available for other purposes, including education.

Prior to the passage of Proposition 22, the State invoked Proposition 1A to divert \$1.935 billion in local property tax revenues in 2009-10 from cities, counties, and special districts to the State to offset State general fund spending for education and other programs, and included another diversion in the adopted 2009-10 State budget of \$1.7 billion in local property tax revenues from local redevelopment agencies, which local redevelopment agencies have now been dissolved (see “– *Dissolution of Redevelopment Agencies*” below). Redevelopment agencies had sued the State over this latter diversion. However, the lawsuit was decided against the California Redevelopment Association on May 1, 2010. Because Proposition 22 reduces the State’s authority to use or shift certain revenue sources, fees and taxes for State general fund purposes, the State will have to take other actions to balance its budget in some years — such as reducing State spending or increasing State taxes, and school and community college districts that receive Proposition 98 or other funding from the State will be more directly dependent upon the State’s general fund.

Dissolution of Redevelopment Agencies. The adopted State budget for fiscal year 2011-12, as signed by the Governor on June 30, 2011, included as trailer bills Assembly Bill No. 26 (First Extraordinary Session) (“**AB1X**”

26”) and Assembly Bill No. 27 (First Extraordinary Session) (“**AB1X 27**”), which the Governor signed on June 29, 2011. AB1X 26 suspended most redevelopment agency activities and prohibited redevelopment agencies from incurring indebtedness, making loans or grants, or entering into contracts after June 29, 2011. AB1X 26 dissolved all redevelopment agencies in existence and designated “successor agencies” and “oversight boards” to satisfy “enforceable obligations” of the former redevelopment agencies and administer dissolution and wind down of the former redevelopment agencies. Certain provisions of AB1X 26 are described further below.

In July of 2011, various parties filed an action before the Supreme Court of the State of California (the “**Court**”) challenging the validity of AB1X 26 and AB1X 27 on various grounds (*California Redevelopment Association v. Matosantos*). On December 29, 2011, the Court rendered its decision in *Matosantos* upholding virtually all of AB1X 26 and invalidating AB1X 27. In its decision, the Court also modified various deadlines for the implementation of AB1X 26. The deadlines for implementation of AB1X 26 described below take into account the modifications made by the Court in *Matosantos*.

On February 1, 2012, and pursuant to *Matosantos*, AB1X 26 dissolved all redevelopment agencies in existence and designated “successor agencies” and “oversight boards” to satisfy “enforceable obligations” of the former redevelopment agencies and administer dissolution and wind down of the former redevelopment agencies. With limited exceptions, all assets, properties, contracts, leases, records, buildings and equipment, including cash and cash equivalents of a former redevelopment agency, will be transferred to the control of its successor agency and, unless otherwise required pursuant to the terms of an enforceable obligation, distributed to various related taxing agencies pursuant to AB1X 26.

AB1X 26 requires redevelopment agencies to continue to make scheduled payments on and perform obligations required under its “enforceable obligations.” For this purpose, AB1X 26 defines “enforceable obligations” to include “bonds, including the required debt service, reserve set-asides, and any other payments required under the indenture or similar documents governing the issuance of outstanding bonds of the former redevelopment agency” and “any legally binding and enforceable agreement or contract that is not otherwise void as violating the debt limit or public policy.” AB1X 26 specifies that only payments included on an “enforceable obligation payment schedule” adopted by a redevelopment agency shall be made by a redevelopment agency until its dissolution. However, until a successor agency adopts a “recognized obligation payment schedule” the only payments permitted to be made are payments on enforceable obligations included on an enforceable obligation payment schedule. A successor agency may amend the enforceable obligation payment schedule at any public meeting, subject to the approval of its oversight board.

Under AB1X 26, commencing February 1, 2012, property taxes that would have been allocated to each redevelopment agency if the agencies had not been dissolved will instead be deposited in a “redevelopment property tax trust fund” created for each former redevelopment agency by the related county auditor-controller and held and administered by the related county auditor-controller as provided in AB1X 26. AB1X 26 generally requires each county auditor-controller, on May 16, 2012 and June 1, 2012 and each January 16 and June 1 (now each January 2 and June 1 pursuant to AB 1484, as described below) thereafter, to apply amounts in a related redevelopment property tax trust fund, after deduction of the county auditor-controller’s administrative costs, in the following order of priority:

- To pay pass-through payments to affected taxing entities in the amounts that would have been owed had the former redevelopment agency not been dissolved; provided, however, that if a successor agency determines that insufficient funds will be available to make payments on the recognized obligation payment schedule and the county auditor-controller and State Controller verify such determination, pass-through payments that had previously been subordinated to debt service may be reduced;

- To the former redevelopment agency’s successor agency for payments listed on the successor agency’s recognized obligation payment schedule for the ensuing six-month period;

- To the former redevelopment agency’s successor agency for payment of administrative costs; and

- Any remaining balance to school entities and local taxing agencies.

The District received approximately \$[_.] million in pass-through payments in fiscal year 2022-23 and projects it will receive \$[_.] million in pass-through payments in fiscal year 2023-24.

It is possible that there will be additional legislation proposed and/or enacted to “clean up” various inconsistencies contained in AB1X 26 and there may be additional legislation proposed and/or enacted in the future affecting the current scheme of dissolution and winding up of redevelopment agencies currently contemplated by AB1X 26. For example, AB 1484 was signed by the Governor on June 27, 2012, to clarify and amend certain aspects of AB1X 26. AB 1484, among other things, attempts to clarify the role and requirements of successor agencies, provides successor agencies with more control over agency bond proceeds and properties previously owned by redevelopment agencies and adds other new and modified requirements and deadlines. AB 1484 also provides for a “tax claw back” provision, wherein the State is authorized to withhold sales and use tax revenue allocations to local successor agencies to offset payment of property taxes owed and not paid by such local successor agencies to other local taxing agencies. This “tax claw back” provision has been challenged in court by certain cities and successor agencies. The District cannot predict the outcome of such litigation and what effect, if any, it will have on the District. Additionally, no assurances can be given as to the effect of any such future proposed and/or enacted legislation on the District.

Allocation of State Funding to School Districts; Local Control Funding Formula

Prior to the implementation of the Local Control Funding Formula in fiscal year 2013-14, under Section 42238 *et seq.* of the State Education Code, each school district was determined to have a target funding level: a “base revenue limit” per student multiplied by the district’s student enrollment measured in units of average daily attendance. The base revenue limit was calculated from the district’s prior-year funding level, as adjusted for a number of factors, such as inflation, special or increased instructional needs and costs, employee retirement costs, especially low enrollment, increased pupil transportation costs, etc. Generally, the amount of State funding allocated to each school district was the amount needed to reach that district’s base revenue limit after taking into account certain other revenues, in particular, locally generated property taxes. This is referred to as State “equalization aid.” To the extent local tax revenues increased due to growth in local property assessed valuation, the additional revenue was offset by a decline in the State’s contribution; ultimately, a school district whose local property tax revenues exceeded its base revenue limit was entitled to receive no State equalization aid, and received only its special categorical aid, which is deemed to include the “basic aid” of \$120 per student per year guaranteed by Article IX, Section 6 of the State Constitution. Such districts were known as “basic aid districts,” which are now referred to as “community funded districts.” School districts that received some equalization aid were commonly referred to as “revenue limit districts,” which are now referred to as “LCFF districts.” The District is an LCFF district.

Beginning in fiscal year 2013-14, the LCFF replaced the revenue limit funding system and most categorical programs, and distributes combined resources to school districts through a base revenue limit funding grant (“**Base Grant**”) per unit of average daily attendance (“**A.D.A.**”) with additional supplemental funding allocated to local educational agencies based on their proportion of English language learners, students from low-income families and foster youth. The LCFF originally had an eight year implementation program to incrementally close the gap between actual funding and the target level of funding, as described below. In fiscal year 2018-19, the LCFF was fully funded ahead of the eight year implementation schedule. The LCFF includes the following components:

- A Base Grant for each local educational agency. The Base Grants are based on four uniform, grade-span base rates. For fiscal year 2023-24, the LCFF provided to school districts and charter schools: (a) a Target Base Grant for each LEA equivalent to \$10,951 per A.D.A. for kindergarten through grade 3; (b) a Target Base Grant for each LEA equivalent to \$10,069 per A.D.A. for grades 4 through 6; (c) a Target Base Grant for each LEA equivalent to \$10,367 per A.D.A. for grades 7 and 8; and (d) a Target Base Grant for each LEA equivalent to \$12,327 per A.D.A. for grades 9 through 12. This amount includes an adjustment of 10.4% to the Base Grant to support lowering class sizes in grades K-3, and an adjustment of 2.6% to reflect the cost of operating career technical education programs in grades 9-12. However, the amount of actual funding allocated to the Base Grant, Supplemental Grants and Concentration Grants will be subject to the discretion of the State.

- A 20% supplemental grant for the unduplicated number of English language learners, students from low-income families and foster youth to reflect increased costs associated with educating those students.
- An additional concentration grant of up to 50% of a local educational agency's Base Grant, based on the number of English language learners, students from low-income families and foster youth served by the local educational agency that comprise more than 55% of enrollment.
- An Economic Recovery Target (the "ERT") that is intended to ensure that almost every local educational agency receives at least their pre-recession funding level (i.e., the fiscal year 2007-08 revenue limit per unit of A.D.A.), adjusted for inflation, at full implementation of the LCFF. Upon full implementation, local educational agencies would receive the greater of the Base Grant or the ERT.

Under the new formula, for community funded districts, local property tax revenues would be used to offset up to the entire allocation under the new formula. However, community funded districts would continue to receive the same level of State aid as allocated in fiscal year 2012-13.

Local Control Accountability Plan. A feature of the LCFF is a system of support and intervention for local educational agencies. School districts, county offices of education and charter schools are required to develop, implement and annually update a three-year local control and accountability plan ("LCAP"). Each LCAP must be developed with input from teachers, parents and the community, and should describe local goals as they pertain to eight areas identified as state priorities, including student achievement, parent engagement and school climate, as well as detail a course of action to attain those goals. Moreover, the LCAPs must be designed to align with the district's budget to ensure adequate funding is allocated for the planned actions.

Each school district must submit its LCAP annually on or before July 1 for approval by its county superintendent. The county superintendent then has until August 15 to seek clarification regarding the contents of the LCAP, and the school district must respond in writing. The county superintendent can submit recommendations for amending the LCAP, and such recommendations must be considered, but are not mandatory. A school district's LCAP must be approved by its county superintendent by October 8 of each year if such superintendent finds (i) the LCAP adheres to the State template, and (ii) the district's budgeted expenditures are sufficient to implement the strategies outlined in the LCAP.

Performance evaluations are to be conducted to assess progress toward goals and guide future actions. County superintendents are expected to review and provide support to the school districts under their jurisdiction, while the State Superintendent performs a corresponding role for county offices of education. The California Collaborative for Education Excellence (the "Collaborative"), a newly established body of educational specialists, was created to advise and assist local educational agencies in achieving the goals identified in their LCAPs. For local educational agencies that continue to struggle in meeting their goals, and when the Collaborative indicates that additional intervention is needed, the State Superintendent would have authority to make changes to a local educational agency's LCAP.

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Attendance and LCFF. The following table sets forth the District’s actual and budgeted A.D.A., enrollment (including percentage of students who are English language learners, from low-income families and/or foster youth (collectively, “**EL/LI Students**”), and targeted Base Grant per unit of A.D.A. for fiscal years 2014-15 through 2023-24. The State reached full funding of the Base Grant in fiscal year 2018-19. The A.D.A. and enrollment numbers reflected in the following table include special education and exclude enrollment at any independent charter schools.

OAKLAND UNIFIED SCHOOL DISTRICT
(County of Alameda, California)
Average Daily Attendance, Enrollment and Targeted Base Grant
Fiscal Years 2014-15 through 2023-24

Fiscal Year		A.D.A./Base Grant				Enrollment ⁽¹⁴⁾		
		K-3	4-6	7-8	9-12	Total A.D.A.	Total Enrollment	Unduplicated % of EL/LI Students
2014-15	A.D.A. ⁽²⁾ :	13,574.62	8,321.54	4,766.64	8,523.18	35,185.98	37,096	78.07%
	Targeted Base Grant ⁽³⁾⁽⁴⁾ :	\$7,011	\$7,116	\$7,328	\$8,491	-	-	-
2015-16	A.D.A. ⁽²⁾ :	13,439.47	8,487.31	4,577.37	8,979.37	35,483.52	37,122	78.07%
	Targeted Base Grant ⁽³⁾⁽⁵⁾ :	\$7,083	\$7,189	\$7,403	\$8,578	-	-	-
2016-17	A.D.A. ⁽²⁾ :	12,977.63	8,391.58	4,502.63	9,168.33	35,040.17	36,761	78.07%
	Targeted Base Grant ⁽³⁾⁽⁶⁾ :	\$7,083	\$7,189	\$7,403	\$8,578	-	-	-
2017-18	A.D.A. ⁽²⁾ :	12,959.20	8,394.71	4,485.82	9,117.93	34,957.66	37,049	77.38%
	Targeted Base Grant ⁽³⁾⁽⁷⁾ :	\$7,193	\$7,301	\$7,518	\$8,712	-	-	-
2018-19	A.D.A. ⁽²⁾ :	12,743.58	7,913.63	4,289.74	9,326.74	34,273.69	35,666	76.76%
	Targeted Base Grant ⁽³⁾⁽⁸⁾ :	\$7,459	\$7,571	\$7,796	\$9,034	-	-	-
2019-20	A.D.A. ⁽²⁾ :	12,331.17	7,967.19	4,462.12	8,938.97	33,699.45	36,111	76.47%
	Targeted Base Grant ⁽³⁾⁽⁹⁾ :	\$7,702	\$7,818	\$8,050	\$9,329	-	-	-
2020-21	A.D.A. ⁽²⁾ :	12,441.67	8,026.02	4,505.00	8,938.97	33,911.66	35,435	75.80%
	Targeted Base Grant ⁽³⁾⁽¹⁰⁾ :	\$7,702	\$7,818	\$8,050	\$9,329	-	-	-
2021-22	A.D.A. ⁽²⁾ :	[12,442.17]	[8,013.84]	[4,498.33]	[8,938.43]	[33,892.77]	[35,034]	[75.54]%
	Targeted Base Grant ⁽³⁾⁽¹¹⁾ :	\$8,092	\$8,214	\$8,458	\$9,802	-	-	-
2022-23	A.D.A. ⁽²⁾ :	[]	[]	[]	[]	[30,438]	[33,683]	[.]%
	Targeted Base Grant ⁽³⁾⁽¹²⁾ :	[\$]	[\$]	[\$]	[\$]	[-]	[-]	[-]
2023-24 ⁽¹⁾	A.D.A. ⁽²⁾ :	[]	[]	[]	[]	[32,096]	[33,683]	[.]%
	Targeted Base Grant ⁽³⁾⁽¹³⁾ :	[\$]	[\$]	[\$]	[\$]	[-]	[-]	[-]

(1) Figures are projections.

(2) A.D.A. for the second period of attendance, typically in mid-April of each school year.

(3) Such amounts represent the targeted amount of Base Grant per unit of A.D.A., and do not include any supplemental and concentration grants under the LCFF. Such amounts were not fully funded until fiscal year 2018-19.

(4) Targeted fiscal year 2014-15 Base Grant amounts reflect a 0.85% cost of living adjustment from targeted fiscal year 2013-14 Base Grant amounts.

(5) Targeted fiscal year 2015-16 Base Grant amounts reflect a 1.02% cost of living adjustment from targeted fiscal year 2014-15 Base Grant amounts.

(6) Targeted fiscal year 2016-17 Base Grant amounts reflect a 0.00% cost of living adjustment from targeted fiscal year 2015-16 Base Grant amounts.

(7) Targeted fiscal year 2017-18 Base Grant amounts reflect a 1.56% cost-of-living adjustment from targeted fiscal year 2016-17 Base Grant amounts.

(8) Targeted fiscal year 2018-19 Base Grant amounts reflect a 3.70% cost-of-living adjustment from targeted fiscal year 2017-18 Base Grant amounts.

(9) Targeted fiscal year 2019-20 Base Grant amounts reflect a 3.26% cost of living adjustment from targeted fiscal year 2018-19 Base Grant amounts.

(10) Targeted fiscal year 2020-21 Base Grant amounts reflect a 0.0% cost of living adjustment from targeted fiscal year 2019-20 Base Grant amounts.

(11) Targeted fiscal year 2021-22 Base Grant amount reflects a 4.05% cost-of-living adjustment from targeted fiscal year 2020-21 Base Grant amounts.

(12) Targeted fiscal year 2022-23 Base Grant amount reflects a 6.56% cost-of-living adjustment from targeted fiscal year 2021-22 Base Grant amounts.

(13) Targeted fiscal year 2023-24 Base Grant amount reflects an 8.22% cost-of-living adjustment from targeted fiscal year 2022-23 Base Grant amounts.

(14) Reflects enrollment as of October report submitted to the CBEDS in each school year. For fiscal year 2014-15, the percentage of unduplicated EL/LI Students enrollment was based on the two-year average of EL/LI Students enrollment in fiscal years 2013-14 and 2014-15. Beginning in fiscal year 2015-16, a school district’s percentage of unduplicated EL/LI Students was and will be based on a rolling average of such school district’s EL/LI Students enrollment for the then-current fiscal year and the two immediately preceding fiscal years.

Source: The District.

The District estimates it received approximately \$460.8 million in aggregate revenues reported under LCFF sources in fiscal year 2022-23, and projects to receive approximately \$489.6 million in aggregate revenues under the LCFF in fiscal year 2023-24 (or approximately 60.5% of its general fund revenues in fiscal year 2023-24). Such amount includes combined supplemental and concentration grants budgeted to be approximately \$[redacted] million in fiscal year 2023-24.

Local Sources of Education Funding

General. The principal component of local revenues is a school district's property tax revenues, i.e., each district's share of the local 1% property tax, received pursuant to Sections 75 *et seq.* and Sections 95 *et seq.* of the California Revenue and Taxation Code. Section 42238(h) of the California Education Code itemizes the local revenues that are counted towards the amount allocated under the LCFF (and formerly, the base revenue limit) before calculating how much the State must provide in State aid. The more local property taxes a district receives, the less State aid it is entitled to receive. Prior to the implementation of the LCFF, a school district whose local property tax revenues exceeded its base revenue limit was entitled to receive no State aid, and received only its special categorical aid which is deemed to include the "basic aid" of \$120 per student per year guaranteed by Article IX, Section 6 of the California Constitution. Such districts were known as "basic aid districts" and, under the LCFF, are known as "community funded districts." School districts that received some State aid were commonly referred to as "revenue limit districts." The District was a revenue limit district and is now referred to as an LCFF district. Under the LCFF, local property tax revenues are used to offset up to the entire State aid collection under the new formula; however, community funded districts would continue to receive, at a minimum, the same level of State aid as allotted in fiscal year 2012-13. See "– Allocation of State Funding to School Districts; Local Control Funding Formula" below for more information.

Local property tax revenues are estimated to account for approximately 29.9% of the District's aggregate revenues reported under LCFF sources in fiscal year 2021-22, and are projected to be \$146.3 million, or 18.1% of its total general fund revenues in fiscal year 2023-24.

For a discussion of legal limitations on the ability of the District to raise revenues through local property taxes, see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS."

Effect of Changes in Enrollment. Changes in local property tax income and A.D.A. affect LCFF districts and community funded districts differently. In an LCFF district, increasing enrollment increases the total amount distributed under the LCFF and thus generally increases a district's entitlement to State equalization aid, while increases in property taxes do nothing to increase district revenues, but only offset the State funding requirement of equalization aid. Operating costs increase disproportionately slowly to enrollment growth; and only at the point where additional teachers and classroom facilities are needed. Declining enrollment has the reverse effect on LCFF districts, generally resulting in a loss of State equalization aid, while operating costs decrease slowly and only when, for example, the district decides to lay off teachers or close schools.

In community funded districts, the opposite is generally true: increasing enrollment increases the amount to which the district would be entitled were it an LCFF district, but since all LCFF income (and more) is already generated by local property taxes, there is no increase in State income, other than the \$120 per student in basic aid, as described above. Meanwhile, as new students impose increased operating costs, property tax income is stretched further. Declining enrollment does not reduce property tax income, and has a negligible impact on State aid, but eventually reduces operating costs, and thus can be financially beneficial to a community funded district.

Enrollment can fluctuate due to factors such as population growth, competition from private, parochial, and public charter schools, inter-district transfers in or out, and other causes. Losses in enrollment will cause a school district to lose operating revenues, without necessarily permitting the District to make adjustments in fixed operating costs.

The District cannot make any predictions regarding how the current economic environment or changes thereto will affect the State's ability to meet the revenue and spending assumptions in the State's adopted budget, and the effect of these changes on school finance. The District's adopted budget and projected A.D.A. are used for

planning purposes only, and do not represent a prediction as to the actual financial performance, attendance, or the District's actual funding level for fiscal year 2023-24 or beyond. Certain adjustments will have to be made throughout the year based on actual State funding and actual attendance.

Other District Revenues

Federal Revenues. The federal government provides funding for several District programs, including special education programs. Federal revenues, most of which are restricted, comprise approximately 13.6% (or approximately \$109.8 million) of the District's general fund projected revenues for fiscal year 2023-24.

Other State Revenues. In addition to State apportionments for Proposition 98 funding through the Local Control Funding Formula, the District receives other State revenues which comprise approximately 15.1% (or approximately \$122.4 million) of the District's general fund projected revenues for fiscal year 2023-24. A significant portion of such other State revenues are amounts the District expects to receive from State lottery funds, which may not be used for non-instructional purposes, such as the acquisition of real property, the construction of facilities, or the financing of research. School districts receive lottery funds proportional to their total A.D.A. The District's State lottery revenue is projected at approximately \$8.3 million for fiscal year 2023-24.

Other Local Revenues. In addition to *ad valorem* property taxes, the District receives additional local revenues from items such as interest earnings and other local sources. Other local revenues comprise approximately 10.8% (or approximately \$87.1 million) of the District's general fund projected revenues for fiscal year 2023-24.

Parcel Taxes. The District previously approved a qualified special tax (parcel tax) in 1996, which was extended in 2001 and 2004, and which is now expired.

In February 2008, voters in the District approved a permanent parcel tax measure, authorizing a \$195 per parcel tax with no sunset provision. The permanent parcel tax generates approximately \$20 million annually, and is used in part to attract and retain highly qualified teachers, maintain courses that help students qualify for college, maintain up-to-date textbooks and instructional materials, keep class sizes small, continue after-school academic programs, maintain school libraries, and provide programs, including arts and music, that enhance student achievement.

On November 4, 2014, voters in the District approved a parcel tax of \$120 per parcel for ten years, commencing July 1, 2015 and expiring June 30, 2025. The parcel tax is expected to generate approximately \$12 million annually. Proceeds from the parcel tax may be used (i) to increase support for high school students in college preparatory courses, (ii) to provide work-based learning in every high school, including career exploration, career technical education courses, job shadowing, internships and job certifications, (iii) to reduce the drop-out rate and (iv) to provide programs to students transitioning to high school and college. On November 8, 2022, voters within the District approved a renewal of the annual tax of \$120 per parcel, for each year between July 1, 2023 and June 30, 2037.

On November 8, 2016, voters in the District approved a parcel tax of \$120 per parcel for twelve years, commencing July 1, 2017 and expiring June 30, 2029. The parcel tax is expected to generate approximately \$12.4 million annually, \$[3.6] million of which is expected to be allocated to charter schools within the District in fiscal year 2023-24. Proceeds from the parcel tax may be used (i) to provide a districtwide educator salary increase designed to attract/retain teachers, (ii) to provide enhanced middle school art, music, languages/other programs in addition to core educational programs, (iii) to improve academic achievement and (iv) to provide safe, positive schools, and prepare students for college/careers.

District Budget Process and County Review

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

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

The county superintendent must review and approve, conditionally approve or disapprove the budget no later than September 15. The county superintendent is required to examine the adopted budget for compliance with the standards and criteria adopted by the State Board of Education and identify technical corrections necessary to bring the budget into compliance with the established standards. In the event that the county superintendent conditionally approves or disapproves the school district's budget, the county superintendent will submit to the governing board of the school district no later than September 15 of such year written recommendations regarding revisions of the budget and the reasons for the recommendations, including, but not limited to, the amounts of any budget adjustments needed before the county superintendent can approve that budget.

The governing board of the school district, together with the county superintendent, must review and respond to the recommendations of the county superintendent on or before October 8 at a regular meeting of the governing board of the school district. The county superintendent will examine and approve or disapprove of the revised budget by November 8 of such year. If the county superintendent disapproves a revised budget, the county superintendent will call for the formation of a budget review committee. By December 31 of each year, every school district must have an adopted budget, or the State Superintendent may impose a budget and will report such school district to the State Legislature and the Department of Finance.

Subsequent to approval, the county superintendent will monitor each school district under its jurisdiction throughout the fiscal year pursuant to its adopted budget to determine on an ongoing basis if the school district can meet its current or subsequent year financial obligations.

If at any time during the fiscal year the county superintendent determines that a school district may be unable to meet its financial obligations for the current or two subsequent fiscal years or if a school district has a qualified or negative certification (as described below), the county superintendent will notify the governing board of the school district and the State Superintendent of that determination and report to the State Superintendent the financial condition of the school district. The county superintendent will also report proposed remedial actions and take at least one of the following and all actions that are necessary to ensure that the school district meets its financial obligations: (a) assign a fiscal expert, (b) conduct a study of the financial and budgetary conditions of the school district that includes, but is not limited to, a review of internal controls, (c) direct the school district to submit a financial projection of all fund and cash balances of the school district as of June 30 of the current year and subsequent fiscal years, (d) require the school district to encumber all contracts and other obligations, to prepare appropriate cashflow analyses and monthly or quarterly budget revisions, and to appropriately record all receivables and payables, (e) direct the school district to submit a proposal for addressing the fiscal conditions that resulted in the determination that the school district may not be able to meet its financial obligations, (f) withhold compensation of the members of the governing board of the school district and the school district superintendent for failure to provide requested financial information, and (g) assign the County Office Fiscal Crisis and Management Assistance Team to review and provide recommendations related to teacher hiring practices, teacher retention rate, percentage of provision of highly qualified teachers, and the extent of teacher misassignment in the school district. See also "RISK FACTORS – District Financial Considerations" and "THE DISTRICT – Fiscal Oversight" above.

If, after taking various remedial actions, the county superintendent determines that a school district cannot meet its current or the subsequent year's obligations, the county superintendent will notify the school district's governing board, the State Superintendent and the president of the State board (or the president's designee) of the determination and take at least one of the following actions, and all actions that are necessary to ensure that the school district meets its financial obligations: (a) develop and impose, after also consulting with the State Superintendent and the school district's governing board, revisions to the budget that will enable the school district to meet its financial obligations in the current fiscal year, (b) stay or rescind any action inconsistent with the ability of the school district to meet its obligations for the current or subsequent fiscal year, (c) assist in developing, in consultation with the school district's governing board, a financial plan that will enable the school district to meet its future obligations, (d) assist in developing, in consultation with the school district's governing board, a budget for the subsequent fiscal year, and (e) as necessary, appoint a fiscal advisor to perform the aforementioned duties. The county superintendent will also make a report to the State Superintendent and the president of the State board or the

president's designee about the financial condition of the school district and the remedial actions proposed by the county superintendent. However, the county superintendent may not abrogate any provision of a collective bargaining agreement that was entered into prior to the date upon which the county superintendent assumed authority.

A State law adopted in 1991 (known as "A.B. 1200") (as amended by AB 1840) imposed additional financial reporting requirements on school districts, and established guidelines for emergency State aid apportionments. Under the provisions of A.B. 1200 and the Education Code (Section 42100 *et seq.*), each school district is required to file two interim certifications with the county superintendent (on December 15, for the period ended October 31, and by mid-March for the period ended January 31) as to its ability to meet its financial obligations for the remainder of the then-current fiscal year and, based on current forecasts, for the subsequent fiscal year. The county superintendent reviews the certification and issues either a positive, negative or qualified certification. A positive certification is assigned to any school district that, based on then current projections, will meet its financial obligations for the current fiscal year and the subsequent two fiscal years. A negative certification is assigned to any school district that, based on then current projections, will be unable to meet its financial obligations for the remainder of the fiscal year or the subsequent fiscal year. A qualified certification is assigned to any school district that, based on then current projections, will not meet its financial obligations for the current fiscal year or the two subsequent fiscal years. A certification may be revised to a negative or qualified certification by the county superintendent, as appropriate. A school district that receives a qualified or negative certification for its second interim report must provide to the county superintendent, the State Controller and the State Superintendent no later than June 1, financial statement projections of the school district's fund and cash balances through June 30 for the period ending April 30.

Any school district that receives a qualified or negative certification in any fiscal year may not issue, in that fiscal year or in the next succeeding fiscal year, certificates of participation, tax and revenue anticipation notes, revenue bonds or any other debt instruments that do not require the approval of the voters of the school district, unless the county superintendent determines that the school district's repayment of indebtedness is probable. The District's first and second interim reports for fiscal year 2022-23 received qualified certifications.

For school districts under fiscal distress, the county superintendent is authorized to take a number of actions to ensure that the school district meets its financial obligations, including budget revisions. However, the county superintendent is not authorized to approve any diversion of revenue from *ad valorem* property taxes levied to pay debt service on district general obligation bonds. A school district that becomes insolvent may, upon the approval of a fiscal plan by the county superintendent, request an emergency appropriation from the State, in which case the county superintendent, the State Superintendent and the president of the State board or the president's designee will appoint a trustee to serve the school district until it has adequate fiscal systems and controls in place. The acceptance by a school district of an emergency apportionment exceeding 200% of the reserve recommended for that school district constitutes an agreement that the county superintendent will assume control of the school district in order to ensure the school district's return to fiscal solvency.

In the event the State elects to provide an emergency apportionment to a school district, such apportionment will constitute an advance payment of apportionments owed to the school district from the State School Fund and the Education Protection Account. The emergency apportionment may be accomplished in two ways. First, a school district may participate in a two-part financing in which the school district receives an interim loan from the State general fund, with the agreement that the school district will subsequently enter into a lease financing with the California Infrastructure and Economic Development Bank for purposes of financing the emergency apportionment, including repaying such amounts advanced to the State general fund. State law provides that so long as bonds from such lease financing are outstanding, the recipient school district (via its administrator) cannot file for bankruptcy. As an alternative, a school district may receive an emergency apportionment from the State general fund that must be repaid in 20 years. Each year, the Superintendent of Public Instruction will withhold from the apportionments to be made to the school district from the State School Fund and the Education Protection Account an amount equal to the emergency apportionment repayment that becomes due that year. The determination as to whether the emergency apportionment will take the form of a lease financing or an emergency apportionment from the State general fund will be based upon the availability of funds within the State general fund.

Accounting Practices

The accounting policies of the District conform to generally accepted accounting principles in accordance with the definitions, instructions and procedures of the California School Accounting Manual, as required by the Education Code. Revenues are recognized in the period in which they become both measurable and available to finance expenditures of the current fiscal period. Expenditures are recognized in the period in which the liability is incurred.

OAKLAND UNIFIED SCHOOL DISTRICT
(County of Alameda, California)
Fiscal Years 2017-18 through 2021-22
General Fund Revenues, Expenditures and Fund Balances⁽¹⁾⁽²⁾

	2017-18 Audited	2018-19 Audited	2019-20 Audited	2020-21 Audited	2021-22 Audited
REVENUES					
LCFF Sources	\$361,901,082	\$378,498,739	\$383,008,899	\$384,268,671	\$413,048,352
Federal Revenue	45,364,332	45,307,610	45,910,978	90,290,705	121,848,389
Other State Sources	67,537,787	91,451,136	74,138,852	114,885,751	112,878,184
Other Local Sources	82,649,655	90,844,009	80,770,934	94,591,884	92,537,565
Total Revenue:	<u>\$557,452,856</u>	<u>\$606,101,494</u>	<u>\$583,829,663</u>	<u>\$684,037,011</u>	<u>\$740,312,490</u>
EXPENDITURES					
Certificated Salaries	\$194,797,326	\$191,352,494	\$206,450,471	\$217,547,483	\$236,679,102
Classified Salaries	93,396,948	93,862,136	93,167,210	107,977,226	113,263,382
Employee Benefits	136,527,883	159,511,716	166,743,932	167,157,753	176,203,050
Books and Supplies	14,030,706	18,350,244	19,310,765	40,607,334	39,536,152
Services/Other Operating Expenditures	85,847,492	94,771,944	92,844,072	89,968,340	121,074,510
Other Outgo	1,529,816	4,183,430	4,749,512	3,698,469	4,371,349
Capital Outlay	1,125,173	7,836,114	1,174,081	1,475,205	1,162,350
Debt Service	5,963,945	5,944,659	5,928,534	6,028,442	6,089,199
Total Expenditures:	<u>\$533,219,289</u>	<u>\$575,812,737</u>	<u>\$590,368,577</u>	<u>\$634,460,252</u>	<u>\$698,379,094</u>
Excess (Deficiency) of Revenues Over Expenditures	\$24,233,567 ⁽⁹⁾	\$30,288,757	\$(6,538,914)	\$49,576,759	\$41,933,396
OTHER FINANCING SOURCES (USES)					
Transfers In ⁽³⁾	\$ 207,817	\$ 185,645	\$264,067	\$1,056,262	-
Proceeds from Sale	-	-	-	58,555	-
Transfers Out ⁽³⁾	(1,722,460)	(5,726,382)	(886,044)	-	\$(5,478,895)
Net Financing Sources (Uses):	<u>\$(1,514,643)</u>	<u>\$(5,540,737)</u>	<u>\$(621,977)</u>	<u>\$1,114,817</u>	<u>\$(5,478,895)</u>
NET CHANGE IN FUND BALANCE	<u>\$22,718,924⁽⁴⁾</u>	<u>\$24,748,020</u>	<u>\$(7,160,891)</u>	<u>\$50,691,576</u>	<u>\$36,454,501</u>
Fund Balance – Beginning	\$27,264,146	\$49,983,070	\$74,731,090	\$68,356,836	\$119,048,412
Fund Balance – End	\$49,983,070	\$74,731,090	\$67,570,199 ⁽⁵⁾	\$119,048,412	\$155,502,913

(1) Columns may not sum to totals due to rounding.

(2) Audited financials are presented for fiscal years 2017-18 through 2021-22.

(3) Transfers in represent reimbursements for costs paid on behalf of other funds, and transfers out represent contributions from the general fund to other funds. Variances shown between each fiscal year are based on the actual costs paid or contribution needs.

(4) Increase in revenues over expenditures and net change in fund balance for fiscal year 2017-18 was primarily due to increases in LCFF funding and parcel tax revenues. The decrease in expenditures in fiscal year 2017-18 is due to mid-year budget reductions.

(5) Ending Fund Balance for fiscal year 2019-20 was restated to \$68,356,836.

Sources: Oakland Unified School District Annual Financial Report for the fiscal years ending June 30, 2018, 2019, 2020, 2021 and 2022.

The following table sets forth the budgeted revenues, expenditures and changes in fund balances for the District's general fund for fiscal years 2022-23 and 2023-24 and unaudited actuals for fiscal year 2022-23. Certain adjustments may be made throughout the year based on actual State funding and actual District revenues and tax collections. The District cannot make any predictions regarding the disposition of additional pending budget legislation or its effect on the District. The District's budget is a planning tool, and does not represent a prediction as to the actual achievement of any budgeted revenues or fund balances.

OAKLAND UNIFIED SCHOOL DISTRICT
(County of Alameda, California)
Budgeted General Fund Summary for Fiscal Years 2022-23 and 2023-24
and Unaudited Actuals for Fiscal Year 2022-23⁽¹⁾

	2022-23 Budgeted ⁽²⁾	2022-23 Unaudited Actuals ⁽²⁾	2023-24 Budgeted ⁽³⁾
REVENUES			
LCFF Sources	\$399,252,017		\$489,627,658
Federal Revenue	113,402,751		109,836,611
Other State Revenue	107,595,385		122,422,819
Other Local Revenue	81,358,930		87,096,328
TOTAL	\$701,609,083		\$808,983,416
EXPENDITURES			
Certificated Salaries	\$237,229,092		\$234,235,062
Classified Salaries	106,537,947		120,883,304
Employee Benefits	197,555,178		212,886,449
Books and Supplies	56,568,769		77,128,733
Services/Other Operating Expenditures	133,202,291		146,081,769
Other Outgo - Transfers of Indirect Costs	(1,271,222)		(1,366,676)
Other Outgo (excluding Transfers of Indirect Costs)	12,998,797		8,988,762
Capital Outlay	401,629		3,980,589
TOTAL	\$743,222,481		\$802,817,992
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	\$(41,613,398)		\$6,165,424
OTHER FINANCING SOURCES (USES)			
Transfers In	-		-
Transfers Out	\$(3,000,000)		\$(3,000,000)
Other Sources	15,000		-
TOTAL OTHER FINANCING SOURCES (USES)	\$(2,985,000)		\$(3,000,000)
NET CHANGE IN FUND BALANCE	\$(44,598,398)		\$3,165,424
Fund Balance – Beginning	\$117,972,065		\$207,076,726
Restatements			
Fund Balance – Ending	\$73,373,667		\$210,242,150

⁽¹⁾ Columns may not sum to totals due to rounding.

⁽²⁾ Unaudited actuals for fiscal year 2022-23, approved as of September [], 2023.

⁽³⁾ Adopted budget for fiscal year 2023-24, approved as of June 28, 2023.

Source: The District.

Audit Findings

[The District is in the process of resolving findings from past audits. For fiscal year 2021-22, the District's general fund was subject to approximately \$[] in audit adjustments. For fiscal year 2020-21, the District's

general fund was subject to approximately \$275,158 in audit adjustments. For fiscal year 2019-20, the District's general fund was subject to approximately \$2.7 million in audit adjustments. In fiscal year 2018-19, the District's general fund was subject to \$4 million in audit adjustments.] [Subject to update]

District Debt Structure

State of California Emergency Apportionment Loan. Prior to 2003, the County Superintendent appointed the Fiscal Crisis and Management Assistance Team (“FCMAT”) as the financial advisor to the District. Upon review of the District’s financial condition, FCMAT declared a fiscal emergency in the District and, in response to this declaration, the District requested an emergency apportionment loan. On May 30, 2003, the Governor approved SB 39, which provided an emergency apportionment loan to the District of up to \$100,000,000 as a floating line of credit to be drawn as the State Administrator and FCMAT jointly determined was needed to meet District obligations, including the District’s operating costs. The District drew down \$65,000,000 in 2003 (the “**2003 Draw**”) and drew down the remaining \$35,000,000 in 2007 (the “**2007 Draw**”). SB 39 requires the District to repay the loan over a 20-year term, commencing at the time of origination of the loan, with interest determined at a rate of 1.778%. The District began repayment of the Emergency Apportionment Loan in fiscal year 2003-04 using funds from the District’s general fund.

Refunding of a Portion of the State Emergency Apportionment Loan. In December 2005, the Infrastructure Bank issued its State School Fund Apportionment Lease Revenue Bonds, Series 2005 (the “**2005 Emergency Apportionment Refunding Bonds**”). A portion of the proceeds of the 2005 Emergency Apportionment Refunding Bonds were used to repay to the State’s general fund the then-outstanding amount of the 2003 Draw and convert the 2003 Draw into a lease-financing obligation of the District. The 2005 Emergency Apportionment Refunding Bonds were then refunded through the issuance of the Infrastructure Bank’s State School Fund Apportionment Lease Revenue Refunding Bonds, Series 2008 in April 2008, in the amount of \$59,565,000 (the “**2008 Emergency Apportionment Refunding Bonds**”). The District repaid in full the 2008 Emergency Apportionment Refunding Bonds in January 2023.

General Obligation Bonds. The District currently has 15 series of bonds outstanding, which are secured by *ad valorem* taxes upon all property subject to taxation by the District.

On November 8, 1994, the District received authorization to issue bonds of the District in an aggregate principal amount not to exceed \$169,730,000 (the “**1994 Measure C Authorization**”). All of the bonds from the 1994 Measure C Authorization have been issued.

On March 7, 2000, the District received authorization to issue bonds of the District in an aggregate principal amount not to exceed \$303,000,000 (the “**2000 Measure A Authorization**”). All of the bonds from the 2000 Measure A Authorization have been issued. The following table shows bonds associated with the 1994 Measure C Authorization and the 2000 Measure A Authorization outstanding as of October 1, 2023.

Series Name	Issue Date	Outstanding Principal Amount
2015 General Obligation Refunding Bonds ⁽¹⁾⁽²⁾	August 20, 2015	\$
General Obligation Refunding Bonds, 2017 Series A ⁽³⁾	May 25, 2017	\$
Total:		\$

⁽¹⁾ The District’s 2015 General Obligation Refunding Bonds refunded bonds issued under the 2000 Measure A Authorization.

⁽²⁾ Expected to be refunded in part from proceeds of the Refunding Bonds.

⁽³⁾ The District’s General Obligation Refunding Bonds, 2017 Series A refunded bonds issued under the 1994 Measure C Authorization and 2000 Measure A Authorization.

On June 6, 2006, the District received authorization to issue bonds of the District in an aggregate principal amount not to exceed \$435,000,000 (the “**2006 Measure B Authorization**”). The following table shows bonds issued under the 2006 Measure B Authorization and the respective issue dates and initial principal amounts:

Series Name	Issue Date	Initial Principal Amount
General Obligation Bonds (Election of 2006, Series 2006) ⁽¹⁾	November 28, 2006	\$130,000,000
General Obligation Bonds (Election of 2006, Series 2009A) ⁽²⁾	August 12, 2009	87,885,000
Taxable General Obligation Bonds (Election of 2006, Series 2009B) (Build America Bonds) ⁽³⁾	August 12, 2009	70,795,000
Taxable General Obligation Bonds (Election of 2006, Series 2009C) Qualified School Construction Bonds (Tax Credit Bonds)	August 12, 2009	26,320,000
General Obligation Bonds (Election of 2006, Series 2012A) ⁽⁴⁾	March 21, 2012	31,040,000
General Obligation Bonds (Election of 2006, Series 2012B) (Qualified School Construction Bonds)	March 21, 2012	23,960,000
General Obligation Bonds (Election of 2006, Series 2016A)	August 17, 2016	65,000,000
Total:		\$435,000,000

⁽¹⁾ The District’s 2016 General Obligation Refunding Bonds refunded, on a current basis, all of the District’s outstanding General Obligation Bonds (Election of 2006, Series 2006).

⁽²⁾ The District’s 2016 General Obligation Refunding Bonds refunded, on an advance basis, a portion of the District’s outstanding General Obligation Bonds (Election of 2006, Series 2009A).

⁽³⁾ The District’s General Obligation Crossover Refunding Bonds, (Measure B) 2017 Series D (Taxable) refunded, on an advance basis, a portion of the District’s outstanding Taxable General Obligation Bonds (Election of 2006, Series 2009B) (Build America Bonds).

⁽⁴⁾ The District’s General Obligation Refunding Bonds, (Measure B) 2017 Series B refunded, on an advance basis, a portion of the District’s outstanding General Obligation Bonds (Election of 2006, Series 2012A).

The following table shows bonds associated with the 2006 Measure B Authorization outstanding as of October 1, 2023.

Series Name	Issue Date	Outstanding Principal Amount
Taxable General Obligation Bonds (Election of 2006, Series 2009C) Qualified School Construction Bonds (Tax Credit Bonds)	August 12, 2009	\$
General Obligation Bonds (Election of 2006, Series 2012B) (Qualified School Construction Bonds)	March 21, 2012	
2016 General Obligation Refunding Bonds	August 17, 2016	
General Obligation Bonds (Election of 2006, Series 2016A)	August 17, 2016	
General Obligation Refunding Bonds, (Measure B) 2017 Series B	May 25, 2017	
General Obligation Crossover Refunding Bonds, (Measure B) 2017 Series D (Taxable)	May 25, 2017	
Total:		\$

On November 6, 2012, the District received authorization to issue bonds of the District in an aggregate principal amount not to exceed \$475,000,000 (the “**2012 Measure J Authorization**”). The following table shows bonds issued under the 2012 Measure J Authorization and the respective issue dates and initial principal amounts. All of the bonds from the 2012 Measure J Authorization have been issued.

Series Name	Issue Date	Initial Principal Amount
General Obligation Bonds (Election of 2012, Series 2013) ⁽¹⁾	September 4, 2013	\$120,000,000
General Obligation Bonds (Election of 2012), Series 2015A	August 20, 2015	173,500,000
General Obligation Bonds (Election of 2012), Series 2015B	August 20, 2015	6,500,000
General Obligation Bonds (Election of 2012), Series 2019A	August 13, 2019	160,000,000
General Obligation Bonds (Election of 2012), Series 2019B	August 13, 2019	15,000,000
Total:		\$475,000,000

⁽¹⁾ The District’s General Obligation Refunding Bonds, (Measure J) 2017 Series C refunded, on an advance basis, a portion of the District’s outstanding General Obligation Bonds (Election of 2012, Series 2013).

The following table shows bonds associated with the 2012 Measure J Authorization outstanding as of October 1, 2023.

Series Name	Issue Date	Outstanding Principal Amount
General Obligation Bonds (Election of 2012, Series 2013) ⁽¹⁾	September 4, 2013	\$
General Obligation Bonds (Election of 2012), Series 2015A	August 20, 2015	
General Obligation Refunding Bonds, (Measure J) 2017 Series C	May 25, 2017	
General Obligation Bonds (Election of 2012), Series 2019A	August 13, 2019	
General Obligation Bonds (Election of 2012), Series 2019B	August 13, 2019	
2021 General Obligation Refunding Bonds (Federally Taxable)	November 3, 2021	
Total:		\$

⁽¹⁾ The District’s General Obligation Refunding Bonds, (Measure J) 2017 Series C refunded, on an advance basis, a portion of the District’s outstanding General Obligation Bonds (Election of 2012, Series 2013).

On November 3, 2020, the District received authorization to issue bonds of the District in an aggregate principal amount not to exceed \$735,000,000 (the “**2020 Measure Y Authorization**”). The following table shows bonds issued under the 2020 Measure Y Authorization and the respective issue dates and initial principal amounts. The Series 2023 Bonds will be the third [and fourth] issuance of bonds under the 2020 Measure Y Authorization. After the issuance of the Series 2023 Bonds, \$[Remaining Authorization]* of remaining authorization will remain under the 2020 Measure Y Authorization.

Series Name	Issue Date	Initial Principal Amount
General Obligation Bonds (Election of 2020), Series 2021A	November 3, 2021	\$150,240,000
General Obligation Bonds (Election of 2020), Series 2021B (Federally Taxable)	November 3, 2021	34,760,000
Total:		\$185,000,000

The following table shows bonds associated with the 2020 Measure Y Authorization outstanding as of October 1, 2023.

Series Name	Issue Date	Outstanding Principal Amount
General Obligation Bonds (Election of 2020), Series 2021A	November 3, 2021	\$
Total:		\$

The District may seek additional bond authorization at a future election.

* Preliminary, subject to change.

Voter-approved bonds are payable from an *ad valorem* property tax authorized to be levied by the County as necessary to repay the amounts coming due in each year. The District's general fund is not pledged to repayment of these bonds. See “– Aggregate Debt Service Schedule” table below for the debt service requirements on all bonds outstanding, assuming no redemptions prior to maturity.

Tax and Revenue Anticipation Notes. Tax and revenue anticipation notes (“TRANs”) issued by the District are a general obligation of the District, payable from the general fund and any other lawfully available moneys. [The District last borrowed TRANs in fiscal year 2020-21. The District does not plan to issue TRANs in fiscal year 2023-24.]

District Lease Income

Lease Revenues. Lease agreements have been entered into by the District with various lessees for terms that exceed one year. None of the agreements contain purchase options. All of the agreements contain a termination clause providing for cancellation after a specified number of days written notice to lessors, but it is unlikely that the District will cancel any of the agreements prior to their expiration date.

The following table shows scheduled debt service obligations for all outstanding general obligation bonds of the District upon the issuance of the Bonds:

OAKLAND UNIFIED SCHOOL DISTRICT
(County of Alameda, California)
General Obligation Bonds, Aggregate Debt Service Schedule

Bond Year	Election of 2006, Series 2009C⁽¹⁾⁽²⁾	Election of 2006, Series 2012B⁽¹⁾⁽²⁾⁽³⁾	Election of 2006, Series 2016A	2016 Refunding	Election of 2012, Series 2013⁽³⁾	Election of 2012, Series 2015A	2015 Refunding	Refunding Bonds, 2017 Series A	Refunding Bonds, (Measure B) 2017 Series B
2023	\$2,622,224	\$1,716,122	\$4,407,250	\$15,768,750	\$2,015,050	\$13,146,250	\$18,501,500	\$17,814,500	\$2,680,000
2024	3,257,224	1,716,122	4,406,450	15,738,750	-	13,150,000	19,267,000	17,499,750	2,986,250
2025	-	1,716,122	4,407,250	20,012,000	-	13,160,000	21,756,000	13,371,750	2,923,500
2026	-	1,716,122	4,404,450	20,852,250	-	13,165,250	29,288,750	-	3,059,250
2027	-	1,716,122	4,403,050	21,499,250	-	13,175,250	8,925,000	-	3,128,500
2028	-	1,716,122	4,407,850	22,168,750	-	13,184,000	8,943,500	-	3,204,000
2029	-	1,716,122	4,407,350	22,881,000	-	13,190,750	9,022,750	-	3,275,000
2030	-	1,716,122	3,645,350	12,055,000	-	13,204,750	9,108,750	-	3,351,250
2031	-	1,716,122	4,274,600	12,148,500	-	13,209,750	-	-	3,427,000
2032	-	1,716,122	4,407,100	-	-	13,220,250	-	-	3,501,750
2033	-	2,391,823	4,407,100	-	-	13,235,000	-	-	-
2034	-	-	4,407,100	-	-	13,242,750	-	-	-
2035	-	-	4,406,900	-	-	13,257,750	-	-	-
2036	-	-	4,406,300	-	-	13,268,500	-	-	-
2037	-	-	4,405,100	-	-	13,284,000	-	-	-
2038	-	-	4,406,100	-	-	13,297,750	-	-	-
2039	-	-	4,403,650	-	-	13,313,500	-	-	-
2040	-	-	4,402,750	-	-	13,329,750	-	-	-
2041	-	-	4,403,250	-	-	-	-	-	-
2042	-	-	-	-	-	-	-	-	-
2043	-	-	-	-	-	-	-	-	-
2044	-	-	-	-	-	-	-	-	-
2045	-	-	-	-	-	-	-	-	-
2046	-	-	-	-	-	-	-	-	-
Total	\$5,879,448	\$19,553,043	\$82,818,950	\$163,124,250	\$2,015,050	\$238,035,250	\$124,813,250	\$48,686,000	\$31,536,500

⁽¹⁾ Columns may not sum to totals due to rounding.

⁽²⁾ Reflects Qualified School Construction Bonds sinking fund deposits by District rather than payments to bondholders.

⁽³⁾ Net of federal subsidies, as reduced by current sequestration rate.

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

OAKLAND UNIFIED SCHOOL DISTRICT
(County of Alameda, California)
General Obligation Bonds
Aggregate Debt Service Schedule (Continued)

Bond Year	Refunding Bonds, (Measure J) 2017 Series C⁽¹⁾	Crossover Refunding Bonds, (Measure B) 2017 Series D (Taxable)⁽¹⁾⁽²⁾	Election of 2012, Series 2019A	Election of 2020, Series 2021A	2021 General Obligation Refunding Bonds (Federally Taxable)	Election of 2020, Series 2023A	Election of 2020, Series 2023B (Federally Taxable)	Aggregate Debt Service
2023	\$4,377,500	\$2,901,096	\$6,362,800	\$13,496,650	\$4,452,377			
2024	6,577,750	2,901,096	6,362,800	5,962,900	4,450,772			
2025	6,757,250	2,901,096	6,362,800	5,962,900	4,454,001			
2026	6,951,500	2,901,096	6,362,800	5,962,900	4,452,291			
2027	7,149,000	3,806,096	13,177,800	5,962,900	4,452,679			
2028	7,348,750	3,805,281	13,082,050	5,962,900	4,449,510			
2029	7,554,750	3,802,042	12,979,050	6,962,900	4,453,438			
2030	7,765,750	16,361,771	12,858,550	7,412,900	4,450,285			
2031	7,985,500	16,312,593	12,730,800	7,342,900	12,540,268			
2032	8,207,500	16,259,132	13,295,550	7,697,650	12,551,162			
2033	8,435,500	16,205,157	15,787,550	8,245,900	12,566,965			
2034	8,673,000	16,144,212	16,274,950	8,981,900	12,576,303			
2035	8,908,250	-	16,259,150	10,739,650	12,588,078			
2036	9,155,000	-	16,218,750	11,785,900	12,601,164			
2037	9,406,250	-	16,633,950	12,361,400	12,614,377			
2038	9,665,250	-	17,010,750	12,897,400	12,631,899			
2039	-	-	17,349,550	14,249,800	12,648,051			
2040	-	-	17,654,200	14,689,600	12,662,522			
2041	-	-	-	14,670,600	-			
2042	-	-	-	15,484,800	-			
2043	-	-	-	15,818,200	-			
2044	-	-	-	15,703,000	-			
2045	-	-	-	15,990,800	-			
2046	-	-	-	16,244,800	-			
Total	\$124,918,500	\$104,300,668	\$236,763,850	\$260,591,250	\$161,596,142			

⁽¹⁾ Columns may not sum to totals due to rounding.

⁽²⁾ Excludes debt service to be paid from the escrow fund.

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

Employees and Labor Relations

The District has budgeted to employ approximately 4,435.4 FTE employees, including 2,285.0 FTE certificated (teaching) employees, 1,636.5 FTE classified (non-teaching) employees and 513.9 management, supervisory and confidential employees in fiscal year 2023-24. For fiscal year 2022-23, the total certificated and classified payrolls for the general fund are estimated to be approximately \$260.9 million and \$119.5 million, respectively. For fiscal year 2023-24, the total certificated and classified payrolls for the general fund are projected to be approximately \$234.2 million and \$120.9 million, respectively.

The District works with six bargaining groups and unrepresented management/supervisory employees as follows:

Employee Group	Organization/Bargaining Unit	Number of FTE Employees	Contract Expiration
Certificated	Oakland Education Association	[]	June 30, 20[] ⁽¹⁾
Classified	Service Employees International Union	[]	June 30, 20[] ⁽¹⁾
Classified	American Federation of State, County and Municipal Employees	[]	June 30, 20[] ⁽¹⁾
Classified	Building and Construction Trades Council	[]	June 30, 20[] ⁽¹⁾
Classified	Teamsters	[]	June 30, 20[] ⁽¹⁾
Supervisory	United Administrators of Oakland Schools	[]	June 30, 20[] ⁽¹⁾

⁽¹⁾ Currently in negotiations.

Source: The District.

Retirement Benefits

The District participates in retirement plans with CalSTRS, which covers all full-time certificated District employees, and the State Public Employees' Retirement System ("CalPERS"), which covers certain classified employees. Classified school personnel who are employed four or more hours per day may participate in CalPERS.

CalSTRS. The CalSTRS defined benefit pension plan provides retirement benefits (generally 2% of final compensation for each year of credited service) to participating employees based on hiring date, age, final compensation and years of credited service. The CalSTRS benefit pension plan is funded through a combination of investment earnings and statutorily set contributions from participating employees, employers (including the District) and the State. Prior to fiscal year 2014-15, the statutorily set rates did not vary annually to adjust for funding shortfalls or actuarial surpluses. As a result, the combined employee, employer and State contributions to CalSTRS were not sufficient to pay actuarially determined amounts. To address the shortfall and implement a new funding strategy, Governor Brown signed into law Assembly Bill 1469 on June 24, 2014, as part of the fiscal year 2014-15 State budget (the "2014-15 State Budget"). The 2014-15 State Budget introduced phased increases to employee, employer and State contributions to CalSTRS and sets forth a plan to eliminate CalSTRS' unfunded liability by June 30, 2046.

The 2014-15 State Budget increased employee contributions, which were previously set at 8.00% of pay, to 10.25% of pay for members hired on or before December 31, 2012 and 9.205% of pay for members hired on or after January 1, 2013 effective July 1, 2016. On July 1, 2018, the rate increased to 10.250% of pay for employees hired on or after January 1, 2013. Employer contribution rates were also increased in fiscal year 2014-15 to 8.88% of payroll, with such rate increasing by 1.85% each year thereafter, plateauing at 19.10% of payroll in July 2020. However, due to supplemental payments of approximately \$850 million pursuant to the 2019-20 State Budget, employer contribution rates decreased from 18.13% to 17.10% in fiscal year 2019-20 and 19.10% to 18.40% in fiscal year 2020-21. In addition, pursuant to the 2020-21 State Budget, employer contribution rates are expected to decrease from 18.40% to approximately 16.15% in fiscal year 2020-21 and from 17.10% to approximately 16.92% in fiscal year 2021-22. The State's total contribution was increased from approximately 3% in fiscal year 2013-14 to 6.828% of payroll in fiscal year 2017-18, and to 10.828% of payroll in fiscal year 2020-21. The State's contribution includes

an annual payment of 2.5% of payroll pursuant to a supplemental inflation protection program. The District’s contribution rates in future fiscal years may be adjusted pursuant to the future state budgets.

The following table sets forth the District’s employer contributions to CalSTRS for fiscal years 2014-15 through 2021-22, the estimated contributed for fiscal year 2022-23 and the projected contribution for fiscal year 2023-24.

**Annual Regular CalSTRS Contributions
Fiscal Years 2014-15 through 2023-24**

Fiscal Year	District Contributions
2014-15	\$14,343,738
2015-16	19,117,248
2016-17	25,327,824
2017-18	27,776,318
2018-19	46,089,133
2019-20	33,614,522
2020-21	34,302,902
2021-22	38,231,291
2022-23	[REDACTED] ⁽¹⁾
2023-24	65,849,949 ⁽²⁾

⁽¹⁾ Estimated, pursuant to the District’s unaudited actuals for fiscal year 2022-23. Includes on-behalf payments.

⁽²⁾ Projected. Includes on-behalf payments.

Source: The District.

The District’s total employer contributions to CalSTRS for fiscal years 2014-15 through 2021-22 were equal to 100% of the required contributions for each year. Pursuant to the 2014-15 State Budget, beginning in fiscal year 2021-22, the State Teachers Retirement Board is required to increase or decrease employer contribution rates to the rates designed to eliminate the CalSTRS unfunded liability by June 30, 2046. A decrease in investment earnings may result in increased employer contribution rates in order to timely eliminate the CalSTRS unfunded liability. The District cannot predict the impact of the COVID-19 pandemic on investment earnings and employer contribution rates. See “MISCELLANEOUS – Risks Related to COVID-19.” However, under existing law, the State Teachers Retirement Board may not increase the employer contribution rate by more than 1% in any fiscal year up to a maximum contribution rate of 20.25%. The State Teachers Retirement Board may also adjust the State’s contribution rate by a maximum of 0.5% from year to year, based on the funding status of the CalSTRS actuarially determined unfunded liability. The District is unable to predict what the amount of pension liabilities will be beyond the fiscal years set forth in AB 1469 or the amount the District will be required to pay for pension related costs, as these amounts are subject to future rate actions taken by CalSTRS. Accordingly, there can be no assurances that the District’s required contributions to CalSTRS will not significantly increase in the future above levels currently approved under State law.

The actuarial valuation for the entire CalSTRS defined benefit program as of June 30, 2022 (the “2022 CalSTRS Actuarial Valuation”) showed an estimated unfunded actuarial liability of \$88.6 billion, a decrease of approximately \$1.2 billion from the June 30, 2021 valuation. Such estimated unfunded actuarial liability was projected to increase in the June 30, 2021 valuation, which projected an unfunded actuarial liability of \$89.8 billion as of June 30, 2022. The actual unfunded actuarial liability as of June 30, 2022 represents a net actuarial gain of approximately \$1.3 billion. Such net actuarial gain is due primarily to member salary increases being more than assumed and market value returns (estimated at negative 2.4%) being less than assumed (7.0%). The funded ratios of the actuarial value of valuation assets over the actuarial accrued liabilities as of June 30, 2022 and June 30, 2021, based on the actuarial assumptions, were approximately 74.4% and 73.0%, respectively. According to the 2022 CalSTRS Actuarial Valuation, the funded ratio increased by 1.4% during the past year. As described in the 2022 CalSTRS Actuarial Valuation, the increase in the funded ratio is primarily due to the recognition of deferred investment gains from prior fiscal years that were used to offset the reported negative 2.4% return on investments on the market value of assets for fiscal year 2021-22, which is CalSTRS’ first negative return on investments since

fiscal year 2008-09. Other factors contributing to such increase include the additional State contributions made in the prior fiscal years and contributions to pay down the unfunded actuarial liability under the State Teachers' Retirement Board's valuation policy. Persistent negative returns on investments may result in increased employer contribution rates above the current level of expected increases. The District cannot predict the impact of State, national, and international events on investment returns and employer contribution rates or the amount the District will be required to pay for pension related costs. Accordingly, there can be no assurances that the District's required contributions to CalSTRS will not increase in the future, subject to the limitations of AB 1469.

The following are certain of the actuarial assumptions set forth in the 2022 CalSTRS Actuarial Valuation: measurement of accruing costs by the "Entry Age Normal Actuarial Cost Method," an assumed 7.00% investment rate of return for measurements subsequent to June 30, 2016, 3.00% interest on member accounts, 3.50% projected wage growth, and 2.75% projected inflation and demographic assumptions relating to mortality rates, length of service, rates of disability, rates of withdrawal, probability of refund, and merit salary increases. Future estimates of the actuarial unfunded liability may change due to market performance, legislative actions and other experience that may differ from the actuarial assumptions used for the CalSTRS valuation. The 2022 CalSTRS Actuarial Valuation also assumes that all members hired on or after January 1, 2013 are subject to the provisions of PEPRA (as defined herein). See "– California Public Employees' Pension Reform Act of 2013" below for a discussion of the pension reform measure signed by the Governor in September 2012 expected to help reduce future pension obligations of public employers with respect to employees hired on or after January 1, 2013.

CalSTRS produces a comprehensive annual financial report and actuarial valuations which include financial statements and required supplementary information. Copies of the CalSTRS comprehensive annual financial report and actuarial valuations may be obtained from CalSTRS. The information presented in these reports is not incorporated by reference in this Official Statement.

CalPERS. All qualifying classified employees of K-12 school districts in the State are members in CalPERS. All school districts contributing to CalPERS participate in the same plan and share the same contribution rate in each year. However, unlike contributions to CalSTRS, which incrementally increase at statutorily set rates, school districts' contributions to CalPERS fluctuate each year and include a normal cost component and a component equal to an amortized amount of the unfunded liability of CalPERS. Accordingly, the District cannot provide any assurances that the District's required contributions to CalPERS in future years will not significantly vary from any current projected levels of contributions to CalPERS.

CalPERS is funded by employee contributions and investment earnings, with the balance of the funding provided by employer contributions. School districts' contributions decrease when investment earnings rise and increase when investment earnings decline. As a result, declines in investment earnings may result in substantial increases in school district contributions. The District cannot make any predictions as to the effect of the outbreak of COVID-19, on investment earnings and school district contributions. See "MISCELLANEOUS – Risks Related to COVID-19" for more information about the impact of COVID-19. Participating employees enrolled in CalPERS prior to January 1, 2013 contribute 7.00% of their respective salaries, while participating employees enrolled after January 1, 2013 contribute the higher of fifty percent of normal costs of benefits or an actuarially determined rate of 7.00% in fiscal year 2019-20. School districts are required to contribute to CalPERS at an actuarially determined rate, which was 18.062% of eligible salary expenditures for fiscal year 2018-19 and originally 20.733% and 22.68% for fiscal years 2019-20 and 2020-21, respectively. However, the employer contribution rate for fiscal year 2019-20 was reduced to 19.721% as a result of the State's buydown of employer contribution rates in fiscal year 2019-20. Similarly, the 2020-21 State Budget allocated funding to buy down employer contribution rates in fiscal years 2020-21 and 2021-22 to an estimated 20.70% and 22.91%, respectively. The actuarially determined rate for employer contributions is expected to be 25.37% for fiscal year 2022-23.

The CalPERS Schools Pool Actuarial Valuation as of June 30, 2022 (the "2022 CalPERS Schools Pool Actuarial Valuation"), which has not been released in full, was presented in summary form to the Finance and Administration Committee of the CalPERS Board of Administration (the "CalPERS Committee") on April 17, 2023. Such summary reported an actuarial accrued liability of approximately \$117.0 billion with the market value of assets at approximately \$79.4 billion, and a funded status of approximately 67.9%. From June 30, 2021 to June 30, 2022, the funded status of the CalPERS Schools Pool decreased by approximately 10.4%, and the unfunded accrued

liability increased by approximately \$13.6 billion, largely due to the difference between the expected and actual rate of return on investments.

CalPERS reported a negative 7.50% (before recognition of administrative expenses) return on investments for fiscal year 2021-22, which is CalPERS’ first negative return on investments since fiscal year 2008-09. The negative 7.50% return on investments was less than the assumed annual rate of return on investments of 6.80%. Such negative return generated an actuarial investment loss of approximately \$12.40 billion, which will be amortized over 20 years with a five-year phase in, increasing the component of the expected employer contribution rate related to the unfunded liability contribution in fiscal year 2023-24 by 1.69% of payroll. Due to the five-year phase in, the component of the employer contribution rate related to the unfunded liability contribution will increase each year until it reaches an estimated 7.60% of payroll in fiscal year 2027-28. CalPERS, however, does not currently project that the total expected employer contribution rate will increase by 7.60% over the next five years, because the employer contribution rate consists of other components, which are affected by investment and non-investment factors, that are currently expected to offset, to some extent, the impact of the five-year phase in. Persistent negative returns on investments may result in increased employer contribution rates above the current level of expected increases reflected in the 2022 CalPERS Schools Pool Actuarial Valuation. The District cannot predict the impact of State, national, and international events on investment returns and employer contribution rates. Accordingly, there can be no assurances that the District’s required contributions to CalPERS will not significantly increase in the future.

The 2022 CalPERS Schools Pool Actuarial Valuation as summarized assumes, among other things, 2.30% inflation and payroll growth of 2.80% compounded annually. The 2022 CalPERS Schools Pool Actuarial Valuation as summarized reflects a discount rate of 6.80% compounded annually (net of administrative expenses) as of June 30, 2022. The CalPERS Board of Administration adopted new demographic assumptions on November 17, 2021, including a reduction in the discount rate from 7.00% as of June 30, 2020 to 6.80% as of June 30, 2021, a reduction in the inflation assumption from 2.50% as of June 30, 2020 to 2.30% as of June 30, 2021, and an increase in payroll growth from 2.75% as of June 30, 2020 to 2.80% as of June 30, 2021. Such assumption changes result in increases in both the normal cost and unfunded liabilities contributions to be paid in the future. The actuarial funding method used in the 2022 CalPERS Schools Pool Actuarial Valuation is the “Entry Age Normal Cost Method.”

The following table sets forth the District’s employer contributions to CalPERS for fiscal years 2014-15 through 2021-22, the estimated contributed for fiscal year 2022-23 and the projected contribution for fiscal year 2023-24.

**Annual CalPERS Regular Contributions
Fiscal Years 2014-15 through 2023-24**

Fiscal Year	District Contributions
2014-15	\$9,904,140
2015-16	10,461,331
2016-17	13,073,239
2017-18	14,728,715
2018-19	22,735,881
2019-20	18,947,422
2020-21	20,437,530
2021-22	23,905,516
2022-23	[REDACTED] ⁽¹⁾
2023-24	31,413,654 ⁽²⁾

⁽¹⁾ Estimated, pursuant to the District’s unaudited actuals for fiscal year 2022-23.

⁽²⁾ Projected.

Sources: The District.

The District’s total employer contributions to CalPERS for fiscal years 2014-15 through 2021-22 were equal to 100% of the required contributions for each year. CalPERS produces a comprehensive annual financial report and actuarial valuations that include financial statements and required supplementary information. Copies of

the CalPERS comprehensive annual financial report and actuarial valuations may be obtained from CalPERS Financial Services Division. The information presented in these reports is not incorporated by reference in this Official Statement.

California Public Employees' Pension Reform Act of 2013. The Governor signed the California Public Employee's Pension Reform Act of 2013 (the "**Reform Act**" or "**PEPRA**") into law on September 12, 2012. The Reform Act affects both CalSTRS and CalPERS, most substantially as they relate to new employees hired after January 1, 2013 (the "**Implementation Date**"). As it pertains to CalSTRS participants hired after the Implementation Date, the Reform Act changes the normal retirement age, increasing the eligibility for the 2.0% "age factor" (the percent of final compensation to which an employee is entitled to for each year of service) from age 60 to 62 and increasing the eligibility of the maximum age factor of 2.4% from age 63 to 65. For non-safety CalPERS participants hired after the Implementation Date, the Reform Act changes the normal retirement age by increasing the eligibility for the 2.0% age factor from age 55 to 62 and also increases the eligibility requirement for the maximum age factor of 2.5% to age 67.

The Reform Act also implements certain other changes to CalPERS and CalSTRS including the following: (a) all new participants enrolled in CalPERS and CalSTRS after the Implementation Date are required to contribute at least 50% of the total annual normal cost of their pension benefit each year as determined by an actuary, (b) CalSTRS and CalPERS are both required to determine the final compensation amount for employees based upon the highest annual compensation earnable averaged over a consecutive 36-month period as the basis for calculating retirement benefits for new participants enrolled after the Implementation Date (currently 12 months for CalSTRS members who retire with 25 years of service), and (c) "pensionable compensation" is capped for new participants enrolled after the Implementation Date at 100% of the federal Social Security contribution and benefit base for members participating in Social Security or 120% for CalSTRS and CalPERS members not participating in social security.

The District is unable to predict what the amount of State pension liabilities will be in the future, or the amount of the contributions which the District may be required to make (except as already announced). CalSTRS and CalPERS liabilities are more fully described in APPENDIX C – "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2022." The District is not permitted to pay down its portion of retirement liability for CalSTRS or CalPERS.

HBGB. The Health Benefits Governing Board ("**HBGB**") was established in 2015 in order to contain District healthcare costs and is governed by the Health and Welfare Agreement (the "**HBGB Agreement**"), negotiated and signed as a tentative agreement among the HBGB members in May 2015 and approved by the Board of Education in October 2015 with an effective date of July 1, 2015. For further information, see "RISK FACTORS – District Financial Risks – *Healthcare Costs – HBGB.*"

Other Post-Employment Benefits (OPEBs). The District does not have any post-employment benefit obligations.

GASB 67 and 68. In June 2012, the Governmental Accounting Standards Board approved a pair of related statements, Statement Number 67, Financial Reporting for Pension Plans ("**Statement Number 67**"), which addresses financial reporting for pension plans, and Statement Number 68, Accounting and Financial Reporting for Pensions ("**Statement Number 68**"), which establishes new accounting and financial reporting requirements for governments that provide their employees with pensions. The guidance contained in these statements changed how governments calculated and reported the costs and obligations associated with pensions. Statement Number 67 replaced the requirements of Statement Number 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, for most public employee pension plans, and Statement Number 68 replaced the requirements of Statement Number 27, Accounting for Pensions by State and Local Governmental Employers, for most government employers. The new statements also replaced the requirements of Statement Number 50, Pension Disclosures, for those governments and pension plans. Certain of the major changes included: (i) the inclusion of unfunded pension liabilities on the government's balance sheet (such unfunded liabilities are currently typically included as notes to the government's financial statements); (ii) full pension costs would be shown as expenses regardless of actual contribution levels; (iii) lower actuarial discount rates would be required to be used for most plans for certain purposes of the financial statements, resulting in increased liabilities and pension

expenses; and (iv) shorter amortization periods for unfunded liabilities would be required to be used for certain purposes of the financial statements, which generally would increase pension expenses. Statement Number 67 became effective beginning in fiscal year 2013-14, and Statement Number 68 became effective beginning in fiscal year 2014-15.

Risk Management

Property and Liability. The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During the year, the District contracted with Northern California ReLiEF for property and liability insurance coverage. Northern California ReLiEF liability and property insurance coverage maintains a self-insurance retention of \$250,000 per occurrence, and excess coverage of \$500,250,000 and \$100,000 for liability per occurrence and a \$1,000,000 excess coverage limit. The District pays an annual contribution of \$3,300,000 to Northern California ReLiEF for its excess property and liability coverage. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in coverage to date.

Workers' Compensation. The District is permissibly self-insured for workers' compensation, and maintains a \$500,000 per occurrence self-insurance retention. Above that level, the District purchases excess insurance to the statutory maximums. There has not been a significant reduction in coverage from the prior year.

For more information regarding the District's risk management, see Note 8 to the District's financial statements attached hereto as APPENDIX C – "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2022."

Participation in Joint Powers Authorities and Other Related Party Transactions

Chabot Space & Science Center Joint Powers Authority. The District participates in the Chabot Space & Science Center Joint Powers Authority (the "**Chabot JPA**"). The Chabot JPA was established to provide quality science education to members of the community.

Youth Ventures Joint Powers Authority. The District also participates in the Youth Ventures Joint Powers Authority ("**Youth Ventures**"), a joint powers authority established to promote the education, health, well-being and economic viability of children, youth and families within the County. During the fiscal year ended June 30, 2022, the District allowed Youth Ventures to use buildings and classroom space in lieu of cash payments.

Northern California Regional Liability Excess Fund. The District is a member of the Northern California Regional Liability Excess Fund ("**NCR**"). NCR is a non-profit member-owned and operated Joint Powers Authority providing risk management services to California public schools. During the fiscal year ended June 30, 2022, the District made payments of \$3.3 million to NCR for insurance premiums.

For more information regarding the District's participation in joint powers authorities and other related party transactions, see Note 11 to the District's financial statements attached hereto as APPENDIX C – "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2022."

Charter Schools

Charter schools are largely independent schools operating as part of the public school system created pursuant to Part 26.8 (beginning with Section 47600) of Division 4 of Title 2 of the Education Code (the "**Charter School Law**"). A charter school is usually created or organized by a group of teachers, parents and community leaders, or a community-based organization, and may be approved by an existing local public school district, a county board of education or the State Board of Education. A charter school is generally exempt from the laws governing school districts, except where specifically noted in the law. The Charter School Law acknowledges that among its intended purposes are to (a) provide parents and students with expanded choices in the types of educational opportunities that are available within the public school system, (b) hold schools accountable for meeting measurable pupil outcomes and provide schools a way to shift from a rule-based to a performance-based

system of accountability and (c) provide competition within the public school system to stimulate improvements in all public schools.

A school district has certain fiscal oversight and other responsibilities with respect to both dependent and independent charter schools. Independent charter schools receive their funding directly from the State and are not included in a school district’s financial reports and audited financial statements and function like independent agencies, including having control over their staffing and budgets, which are received directly from the State. Dependent charter schools receive their funding from the school district and would be included in the school district’s financial reports and audited financial statements.

[There are forty-two independent charter schools operating in the District serving grades K through 12 with a combined enrollment of approximately [] in fiscal year 2023-24. There is one ACOE-dependent charter school in the District in fiscal year 2023-24. Of the forty-two independent charter schools projected to operate in the District for fiscal year 2023-24, twenty-eight have been granted charters by the District, twelve have been granted charters by the ACOE, one has been granted its charter by the State Board of Education, and one has been granted its charter by Alameda Unified School District (but currently operates in the District).]

Charter schools receive revenues from the State for each student enrolled, and thus may cause a reduction in revenues available for students enrolled in District schools for those students who would otherwise be in District schools. However, certain per-pupil expenditures of the District also decrease based upon the number of students enrolled in charter schools. The District is required to accommodate charter school students originating in the District in facilities comparable to those provided to regular District students.

The following table shows total charter school enrollment for charter schools operating in the District’s geographic boundaries for fiscal years 2014-15 through 2023-24:

Fiscal Year	Number of Dependent Charter Schools	Number of Independent Charter Schools	Total Charter School Enrollment
2014-15	0	40	13,542
2015-16	0	45	14,517
2016-17	0	45	15,658
2017-18	1	44	16,070
2018-19	1	45	16,867
2019-20	1	45	16,991
2020-21	1	43	16,678
2021-22	1	42	15,963
2022-23	[]	[]	[]
2023-24	[]	[]	[]

Source: The District and California Department of Education DataQuest Enrollment Reports.

The District can make no representation as to whether enrollment at such charter schools may increase at the expense of District enrollment in future years, whether additional charter schools will be established within the territory of the District, or as to the impact these or other charter school developments may have on the District’s A.D.A. or finances in future years.

Assembly Bill 1505 (“**AB 1505**”) was enacted during 2019-20 California legislative session, which aims to slow the growth of charter schools. AB 1505 gives school districts increased leverage to deny applications for new charter schools by providing school districts additional discretion when authorizing charter schools to consider the number and enrollment in proposed charter schools, academic outcomes and offerings and a statement of need for the school. The District cannot predict the impact such legislation will have on its operations and finances.

CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS

Limitations on Revenues

On June 6, 1978, State voters approved Proposition 13 (“**Proposition 13**”), which added Article XIII A to the State Constitution (“**Article XIII A**”). Article XIII A limits the amount of any *ad valorem* tax on real property to 1% of the full cash value thereof, except that additional *ad valorem* taxes may be levied to pay debt service on (i) indebtedness approved by the voters prior to July 1, 1978, (ii) bonded indebtedness for the acquisition or improvement of real property which has been approved on or after July 1, 1978 by two-thirds of the voters on such indebtedness, and (iii) bonded indebtedness incurred by a school district or community college district for the construction, reconstruction, rehabilitation or replacement of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters of the district, but only if certain accountability measures are included in the proposition. Article XIII A defines full cash value to mean “the county assessor’s valuation of real property as shown on the 1975-76 tax bill under full cash value, or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership have occurred after the 1975 assessment.” This full cash value may be increased at a rate not to exceed 2% per year to account for inflation.

Article XIII A has subsequently been amended to permit reduction of the “full cash value” base in the event of declining property values caused by damage, destruction or other factors, to provide that there would be no increase in the “full cash value” base in the event of reconstruction of property damaged or destroyed in a disaster and in other minor or technical ways.

County of Orange v. Orange County Assessment Appeals Board No. 3. Section 51 of the State Revenue and Taxation Code permits county assessors who have reduced the assessed valuation of a property as a result of natural disasters, economic downturns or other factors, to subsequently “recapture” such value (up to the pre-decline value of the property) at an annual rate higher than 2%, depending on the assessor’s measure of the restoration of value of the damaged property. The constitutionality of this procedure was challenged in a lawsuit brought in 2001 in the Orange County Superior Court, and in similar lawsuits brought in other counties, on the basis that the decrease in assessed value creates a new “base year value” for purposes of Proposition 13 and that subsequent increases in the assessed value of a property by more than 2% in a single year violate Article XIII A. On appeal, the California Court of Appeal upheld the recapture practice in 2004, and the State Supreme Court declined to review the ruling, leaving the recapture law in place.

Legislation Implementing Article XIII A. Legislation has been enacted and amended a number of times since 1978 to implement Article XIII A. Under current law, local agencies are no longer permitted to levy directly any property tax (except to pay voter-approved indebtedness). The 1% property tax is automatically levied by the county and distributed according to a formula among taxing agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1989.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the 2% annual adjustment are allocated among the various jurisdictions in the “taxing area” based upon their respective “situs.” Any such allocation made to a local agency continues as part of its allocation in future years.

Beginning in the 1981-82 fiscal year, assessors in the State no longer record property values on tax rolls at the assessed value of 25% of market value which was expressed at \$4 per \$100 assessed value. All taxable property is now shown at full market value on the tax rolls. Consequently, the tax rate is expressed as \$1 per \$100 of taxable value. All taxable property value included in this Official Statement is shown at 100% of market value (unless noted differently) and all tax rates reflect the \$1 per \$100 of taxable value.

Proposition 19. Proposition 19, which was approved by the voters of the State on November 3, 2020, allows eligible homeowners to transfer their tax assessments anywhere within the State and allows tax assessments to be transferred to a more expensive home with an upward adjustment; requires that inherited homes that are not used as principal residences, such as second homes or rentals, be reassessed at market value when transferred; and allocates additional revenue or net savings resulting from the ballot measure to wildfire agencies and counties. The District is unable to predict the effect such measure may have on tax assessments within the District.

Article XIII B of the State Constitution

An initiative to amend the State Constitution entitled “Limitation of Government Appropriations” was approved on September 6, 1979, thereby adding Article XIII B to the State Constitution (“**Article XIII B**”). Under Article XIII B state and local governmental entities have an annual “appropriations limit” and are not permitted to spend certain moneys which are called “appropriations subject to limitation” (consisting of tax revenues, state subventions and certain other funds) in an amount higher than the “appropriations limit.” Article XIII B does not affect the appropriation of moneys which are excluded from the definition of “appropriations subject to limitation,” including debt service on indebtedness existing or authorized as of January 1, 1979, or bonded indebtedness subsequently approved by the voters. In general terms, the “appropriations limit” is to be based on certain 1978-79 expenditures, and is to be adjusted annually to reflect changes in consumer prices, populations, and services provided by these entities. Among other provisions of Article XIII B, if these entities’ revenues in any year exceed the amounts permitted to be spent, the excess would have to be returned by revising tax rates or fee schedules over the subsequent two years.

In fiscal year 2022-23, the District had an appropriations limit of \$[2022-23 Appropriations Limit] and appropriations subject to such limit of \$[2022-23 Subject to Limit]. The District has budgeted an appropriations limit in fiscal year 2023-24 of \$[2023-24 Appropriations Limit]. Any proceeds of taxes received by the District in excess of the allowable limit are absorbed into the State’s allowable limit.

Article XIII C and Article XIII D of the State Constitution

On November 5, 1996, the voters of the State of California approved Proposition 218, popularly known as the “Right to Vote on Taxes Act.” Proposition 218 added to the State Constitution Articles XIII C and XIII D (“**Article XIII C**” and “**Article XIII D**,” respectively), which contain a number of provisions affecting the ability of local agencies, including school districts, to levy and collect both existing and future taxes, assessments, fees and charges.

According to the “Title and Summary” of Proposition 218 prepared by the State Attorney General, Proposition 218 limits “the authority of local governments to impose taxes and property-related assessments, fees and charges.” Among other things, Article XIII C establishes that every tax is either a “general tax” (imposed for general governmental purposes) or a “special tax” (imposed for specific purposes), prohibits special purpose government agencies such as school districts from levying general taxes, and prohibits any local agency from imposing, extending or increasing any special tax beyond its maximum authorized rate without a two-thirds vote; and also provides that the initiative power will not be limited in matters of reducing or repealing local taxes, assessments, fees and charges. Article XIII C further provides that no tax may be assessed on property other than *ad valorem* property taxes imposed in accordance with Articles XIII and XIII A of the State Constitution and special taxes approved by a two-thirds vote under Article XIII A, Section 4. Article XIII D deals with assessments and property-related fees and charges, and explicitly provides that nothing in Article XIII C or XIII D will be construed to affect existing laws relating to the imposition of fees or charges as a condition of property development.

The District imposes parcel taxes which are subject to the provisions of Proposition 218. On February 5, 2008, voters within the District approved Measure G by a two-thirds vote, establishing an annual tax of \$195 per parcel within the District, with no expiration date. On November 4, 2014, voters within the District approved Measure N by a two-thirds vote, establishing an annual tax of \$120 per parcel within the District for each year between July 1, 2015 and June 30, 2025. On November 8, 2016, voters within the District approved Measure G1 by a two-thirds vote, establishing an annual tax of \$120 per parcel within the District for each year between July 1, 2017 and June 30, 2029. On November 8, 2022, voters within the District approved Measure H by a two-thirds vote, renewing the annual tax of \$120 per parcel within the District authorized pursuant to Measure N, for each year between July 1, 2023 and June 30, 2037. The District also receives a portion of the basic 1% *ad valorem* property tax levied and collected by the County pursuant to Article XIII A of the State Constitution. The provisions of Proposition 218 may have an indirect effect on the District, such as by limiting or reducing the revenues otherwise available to other local governments whose boundaries encompass property located within the District thereby causing such local governments to reduce service levels and possibly adversely affecting the value of property within the District.

Statutory Limitations

On November 4, 1986, State voters approved Proposition 62, an initiative statute limiting the imposition of new or higher taxes by local agencies. The statute: (a) requires new or higher general taxes to be approved by two-thirds of the local agency's governing body and a majority of its voters; (b) requires the inclusion of specific information in all local ordinances or resolutions proposing new or higher general or special taxes; (c) penalizes local agencies that fail to comply with the foregoing; and (d) required local agencies to stop collecting any new or higher general tax adopted after July 31, 1985, unless a majority of the voters approved the tax by November 1, 1988.

Appellate court decisions following the approval of Proposition 62 determined that certain provisions of Proposition 62 were unconstitutional. However, the California Supreme Court upheld Proposition 62 in its decision on September 28, 1995 in *Santa Clara County Transportation Authority v. Guardino*. This decision reaffirmed the constitutionality of Proposition 62. Certain matters regarding Proposition 62 were not addressed in the Supreme Court's decision, such as whether the decision applies retroactively, what remedies exist for taxpayers subject to a tax not in compliance with Proposition 62, and whether the decision applies to charter cities.

Proposition 98 and Proposition 111

On November 8, 1988, voters approved Proposition 98, a combined initiative constitutional amendment and statute called the "Classroom Instructional Improvement and Accountability Act" (the "**Accountability Act**"). The Accountability Act changed State funding of public education below the university level, and the operation of the State's Appropriations Limit. The Accountability Act guarantees State funding for K-12 school districts and community college districts (collectively, "**K-14 districts**") at a level equal to the greater of (a) the same percentage of general fund revenues as the percentage appropriated to such districts in 1986-87, which percentage is equal to 40.9%, or (b) the amount actually appropriated to such districts from the general fund in the previous fiscal year, adjusted for growth in enrollment and inflation.

Since the Accountability Act is unclear in some details, there can be no assurance that the Legislature or a court might not interpret the Accountability Act to require a different percentage of general fund revenues to be allocated to K-14 districts than the 40.9%, or to apply the relevant percentage to the State's budgets in a different way than is proposed in the Governor's Budget. In any event, the Governor and other fiscal observers expect the Accountability Act to place increasing pressure on the State's budget over future years, potentially reducing resources available for other State programs, especially to the extent the Article XIII B spending limit would restrain the State's ability to fund such other programs by raising taxes.

The Accountability Act also changes how tax revenues in excess of the State Appropriations Limit are distributed. Any excess State tax revenues up to a specified amount would, instead of being returned to taxpayers, be transferred to K-14 districts. Such transfer would be excluded from the Appropriations Limit for K-14 school districts and the K-14 school Appropriations Limits for the next year would automatically be increased by the amount of such transfer. These additional moneys would enter the base funding calculation for K-14 districts for subsequent years, creating further pressure on other portions of the State budget, particularly if revenues decline in a year following an Article XIII B surplus. The maximum amount of excess tax revenues which could be transferred to schools is 4% of the minimum State spending for education mandated by the Accountability Act, as described above.

On June 5, 1990, State voters approved Proposition 111 (Senate Constitutional Amendment 1), which further modified the State Constitution to alter the spending limit and education funding provisions of Proposition 98. Most significantly, Proposition 111 (1) liberalized the annual adjustments to the spending limit by measuring the "change in the cost of living" by the change in State per capita personal income rather than the Consumer Price Index, and specified that a portion of the State's spending limit would be adjusted to reflect changes in school attendance; (2) provided that 50% of the "excess" tax revenues, determined based on a two-year cycle, would be transferred to K-14 school districts with the balance returned to taxpayers (rather than the previous 100% but only up to a cap of 4% of the districts' minimum funding level), and that any such transfer to K-14 school districts would not be built into the school districts' base expenditures for calculating their entitlement for State aid in the following year and would not increase the State's appropriations limit; (3) excluded from the calculation of appropriations that are subject to the limit appropriations for certain "qualified capital outlay projects" and certain increases in gasoline taxes, sales and use taxes, and receipts from vehicle weight fees; (4) provided that the Appropriations Limit for each unit of government, including the State, would

be recalculated beginning in the 1990-91 fiscal year, based on the actual limit for fiscal year 1986-87, adjusted forward to 1990-91 as if Senate Constitutional Amendment 1 had been in effect; and (5) adjusted the Proposition 98 formula that guarantees K-14 school districts a certain amount of general fund revenues, as described below.

Under prior law, K-14 school districts were guaranteed the greater of (a) 40.9% of general fund revenues (the “**first test**”) or (b) the amount appropriated in the prior year adjusted for changes in the cost of living (measured as in Article XIII B by reference to per capita personal income) and enrollment (the “**second test**”). Under Proposition 111, school districts would receive the greater of (a) the first test, (b) the second test or (c) a third test, which would replace the second test in any year when growth in per capita general fund revenues from the prior year was less than the annual growth in State per capita personal income. Under the third test, school districts would receive the amount appropriated in the prior year adjusted for change in enrollment and per capita general fund revenues, plus an additional small adjustment factor. If the third test were used in any year, the difference between the third test and the second test would become a “credit” to be paid in future years when general fund revenue growth exceeds personal income growth.

Proposition 30 and Proposition 55

On November 6, 2012, voters approved Proposition 30, also referred to as the Temporary Taxes to Fund Education, Guaranteed Local Public Safety Funding, Initiative Constitutional Amendment. Proposition 30 temporarily (a) increased the personal income tax on certain of the State’s income taxpayers by one to three percent for a period of seven years from January 1, 2012 through the end of 2018, and (b) increased the sales and use tax by one-quarter percent for a period of four years from January 1, 2013 through the end of 2016. The revenues generated from such tax increases are included in the calculation of the Proposition 98 minimum funding guarantee (see “– Proposition 98 and Proposition 111” above). The revenues generated from such temporary tax increases are deposited into a State account created pursuant to Proposition 30 (the “**Education Protection Account**”), and 89% of the amounts therein are allocated to school districts and 11% of the amounts therein are allocated to community college districts.

The Proposition 30 sales and use tax increases expired at the end of the 2016 tax year. Under Proposition 30, the personal income tax increases were set to expire at the end of the 2018 tax year. However, the California Tax Extension to Fund Education and Healthcare Initiative (“**Proposition 55**”), approved by voters on November 8, 2016, extends by twelve years the temporary personal income tax increases on incomes over \$250,000 that was first enacted by Proposition 30; Proposition 55 did not extend the sales tax increases imposed by Proposition 30. Revenues from the tax increase will be allocated to school districts and community colleges in the State.

Applications of Constitutional and Statutory Provisions

The application of Proposition 98 and other statutory regulations has become increasingly difficult to predict accurately in recent years. For a discussion of how the provisions of Proposition 98 have been applied to school funding see “DISTRICT FINANCIAL MATTERS – State Funding of Education; State Budget Process.”

Proposition 2

General. Proposition 2, which included certain constitutional amendments to the State Rainy Day Fund and, upon its approval, triggered the implementation of certain provisions which could limit the amount of reserves that may be maintained by a school district, was approved by the voters in the November 2014 election.

State Rainy Day Fund. The Proposition 2 constitutional amendments related to the State Rainy Day Fund (i) require deposits into the State Rainy Day Fund whenever capital gains revenues rise to more than 8% of general fund tax revenues; (ii) set the maximum size of the State Rainy Day Fund at 10% of general fund revenues; (iii) for the next 15 years, require half of each year’s deposit to be used for supplemental payments to pay down the budgetary debts or other long-term liabilities and, thereafter, require at least half of each year’s deposit to be saved and the remainder used for supplemental debt payments or savings; (iv) allow the withdrawal of funds only for a disaster or if spending remains at or below the highest level of spending from the past three years; (v) require the State to provide a multi-year budget forecast; and (vi) create the Proposition 98 Rainy Day Fund to set aside funds in good years to minimize future cuts and smooth school spending. The State may deposit amounts into such account only after it has paid all amounts owing to school districts relating to the Proposition 98 maintenance factor for fiscal years prior to fiscal year 2014-15. The State,

in addition, may not transfer funds to the Proposition 98 Rainy Day Fund unless the State is in a Test 1 year under Proposition 98 or in any year in which a maintenance factor is created.

SB 858. SB 858 became effective upon the passage of Proposition 2. SB 858 includes provisions which could limit the amount of reserves that may be maintained by a school district in certain circumstances. Under SB 858, in any fiscal year immediately following a fiscal year in which the State has made a transfer into the Proposition 98 Rainy Day Fund, any adopted or revised budget by a school district would need to contain a combined unassigned and assigned ending fund balance that (a) for school districts with an A.D.A. of less than 400,000, is not more than two times the amount of the reserve for economic uncertainties mandated by the State Education Code, or (b) for school districts with an A.D.A. that is more than 400,000, is not more than three times the amount of the reserve for economic uncertainties mandated by the State Education Code. In certain cases, the county superintendent of schools may grant a school district a waiver from this limitation on reserves for up to two consecutive years within a three-year period if there are certain extraordinary fiscal circumstances.

The District, which has an A.D.A. of less than 400,000, is required to maintain a reserve for economic uncertainty in a minimum amount of 3% of its general fund expenditures and other financing uses.

SB 751. SB 751, enacted on October 11, 2017, alters the reserve requirements imposed by SB 858. Under SB 751, in a fiscal year immediately after a fiscal year in which the amount of moneys in the Proposition 98 Rainy Day Fund is equal to or exceeds 3% of the combined total general fund revenues appropriated for school districts and allocated local proceeds of taxes for that fiscal year, a school district budget that is adopted or revised cannot have an assigned or unassigned ending fund balance that exceeds 10% of those funds. SB 751 excludes from the requirements of those provisions basic aid school districts (also known as community funded districts) and small school districts having fewer than 2,501 units of average daily attendance.

The Bonds are payable from *ad valorem* taxes to be levied within the District pursuant to the State Constitution and other State law. Accordingly, the District does not expect SB 858 or SB 751 to adversely affect its ability to pay the principal of and interest on the Bonds as and when due.

Future Initiatives

Article XIII A, Article XIII B, Article XIII C, Article XIII D, as well as Propositions 2, 30, 55, 62, 98, 111 and 218 were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time other initiative measures could be adopted, further affecting District revenues or the District's ability to expend revenues.

APPENDIX C

**FINANCIAL STATEMENTS OF THE DISTRICT FOR THE
FISCAL YEAR ENDED JUNE 30, 2022**

APPENDIX D

PROPOSED FORM OF OPINION OF BOND COUNSEL

[To come]

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the Oakland Unified School District (the “District”) in connection with the issuance of: \$_____ aggregate principal amount of Oakland Unified School District General Obligation Bonds (Election of 2020), Series 2023A and \$_____ aggregate principal amount of Oakland Unified School District General Obligation Bonds (Election of 2020), Series 2023B (Federally Taxable) (collectively, the “Bonds”). The Bonds are being issued as authorized by a resolution adopted by the Board of Education of the District on [September 13], 2023 (the “Resolution”) and in accordance with the terms of Paying Agent Agreement, dated as of November 1, 2023 (the “Paying Agent Agreement”), and by and between the District and U.S. Bank Trust Company, National Association, as paying agent (the “Paying Agent”), and acknowledged by the County of Alameda.

The District covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule.

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

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

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

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

“Financial Obligation” shall mean, for purposes of the Listed Events set out in Section 5(a)(10) and Section 5(b)(8), a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “Financial Obligation” shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

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

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

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

“Official Statement” shall mean the Official Statement relating to the Bonds dated _____, 2023.

“Participating Underwriter” shall mean the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

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

SECTION 3. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent to, not later than nine months after the end of the District’s fiscal year (presently June 30), commencing with the Annual Report for the fiscal year of the District ending June 30, 2023 (which is due no later than April 1, 2024), provide to the Participating Underwriter and the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Each Annual Report must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB, and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the District may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. Neither the Paying Agent nor the Dissemination Agent shall have any duties or responsibilities with respect to the contents of the Annual Report. If the District’s fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5.

(b) Not later than fifteen (15) business days prior to the date specified in subsection (a) for providing the Annual Report to the MSRB, the District shall provide the Annual Report to the Dissemination Agent and the Paying Agent (if the Paying Agent is not the Dissemination Agent). If by such date, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the District and the Paying Agent to determine if the District is in compliance with the first sentence of this subsection (b). If the Paying Agent is unable to verify that an Annual Report has been provided to the MSRB by the date required in subsection (a), the Paying Agent shall send a notice, in electronic format, to the MSRB, such notice to be in substantially the form attached hereto as Exhibit A.

(c) If the Annual Report is delivered to the Dissemination Agent for filing, the Dissemination Agent shall file a report with the District and (if the Dissemination Agent is not the Paying Agent) the Paying Agent certifying that the Annual Report has been provided pursuant to this Disclosure Certificate and stating the date it was provided.

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

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

To the extent not included in the audited financial statements of the District, the Annual Report shall also include the following for the preceding fiscal year (except as noted otherwise):

- (1) Adopted budget of the District for the current fiscal year, or a summary thereof, and any interim budget reports approved as of the date of filing of the Annual Report;
- (2) General fund revenues, expenditures and a fund balance table;
- (3) District average daily attendance;

- (4) District outstanding debt (including amortization schedules);
- (5) Information regarding total assessed value of taxable properties within the District;
- (6) Information regarding the ten largest property owners based on assessed valuation within the District;
- (7) Information regarding total secured tax charges, collections and delinquencies on taxable properties within the District;
- (8) CalSTRS and CalPERS contributions; and
- (9) If and to the extent provided to the District by the County by no later than five (5) business days prior to the Annual Report due date, information regarding total assessed valuation and parcels by land use and assessed valuation of single family homes. If the information is provided at a date later than the Annual Report due date, then the District shall promptly file such information following its receipt via a supplement to the Annual Report.

The Annual Report may consist of one or more documents. Any or all of the items listed above may be set forth in one or a set of documents or may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which are available to the public on the MSRB website. If the document included by reference is a final official statement, it must be available from the MSRB. The District shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) The District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds not later than ten (10) business days after the occurrence of the event:

- 1. Principal and interest payment delinquencies;
- 2. Unscheduled draws on debt service reserves reflecting financial difficulties;
- 3. Unscheduled draws on credit enhancements reflecting financial difficulties;
- 4. Substitution of credit or liquidity providers, or their failure to perform;
- 5. Adverse tax opinions or issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB);
- 6. Tender offers;
- 7. Defeasances;
- 8. Rating changes;
- 9. Bankruptcy, insolvency, receivership or similar event of the obligated person; or
- 10. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the District, any of which reflect financial difficulties.

Note: For the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction

over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(b) The District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material, not later than ten (10) business days after the occurrence of the event:

1. Unless described in Section 5(a)(5), other material notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
2. Modifications to rights of Bond holders;
3. Optional, unscheduled or contingent Bond calls;
4. Release, substitution, or sale of property securing repayment of the Bonds;
5. Non-payment related defaults;
6. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;
7. Appointment of a successor or additional paying agent or the change of name of a paying agent; or
8. Incurrence of a Financial Obligation of the District, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the District, any of which affect holders of the Bonds.

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

(d) Whenever the District obtains knowledge of the occurrence of a Listed Event described in Section 5(b), the District shall determine if such event would be material under applicable federal securities laws.

(e) If the District learns of the occurrence of a Listed Event described in Section 5(a), or determines that knowledge of a Listed Event described in Section 5(b) would be material under applicable federal securities laws, the District shall within ten (10) business days of occurrence file a notice of such occurrence with the MSRB in electronic format, accompanied by such identifying information as is prescribed by the MSRB. Notwithstanding the foregoing, notice of the Listed Event described in Section 5(b)(3) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Paying Agent Agreement.

(f) The District intends to comply with the Listed Events described in Section 5(a)(10) and Section 5(b)(8), and the definition of “Financial Obligation” in Section 1, with reference to the rule, any other applicable federal securities laws and the guidance provided by the Securities and Exchange Commission in Release No. 34-83885 dated August 20, 2018 (the “2018 Release”), and any further amendments or written guidance provided by the Securities and Exchange Commission or its staff with respect to the amendments to the Rule effected by the 2018 Release.

SECTION 6. Termination of Reporting Obligation. The District's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the District shall give notice of such termination in the same manner as for a Listed Event under Section 5(e).

SECTION 7. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the District pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be Isom Advisors, a Division of Urban Futures, Inc.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

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

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

(c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the District shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the District. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(e), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the District shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the District to comply with any provision of this Disclosure Certificate any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Certificate; provided that any such action may be instituted only in Superior Court of the State of California in and for the County of Alameda or in U.S. District Court in or nearest to the County. The sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: _____, 2023

OAKLAND UNIFIED SCHOOL DISTRICT

By _____
Chief Business Officer

EXHIBIT A

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

Name of District: OAKLAND UNIFIED SCHOOL DISTRICT

Name of Bond Issue: OAKLAND UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION BONDS (ELECTION OF 2020), SERIES 2023A

OAKLAND UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION BONDS (ELECTION OF 2020), SERIES 2023B (FEDERALLY TAXABLE)

Date of Issuance: _____, 2023

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

Dated: _____

OAKLAND UNIFIED SCHOOL DISTRICT

By _____ [to be signed only if filed]

APPENDIX F

**COUNTY OF ALAMEDA
ANNUAL INVESTMENT POLICY AND INVESTMENT REPORT**

The following information has been furnished by the Office of the Treasurer-Tax Collector, County of Alameda. It describes (i) the policies applicable to investment of District funds, including bond proceeds and tax levies, and funds of other agencies held by the County Treasurer-Tax Collector and (ii) the composition, carrying amount, market value and other information relating to the investment pool. Further information may be obtained directly from the Treasurer-Tax Collector, 1221 Oak Street, Room 131, Oakland, CA 94612.

APPENDIX G

BOOK-ENTRY ONLY SYSTEM

The information in this appendix has been provided by DTC for use in securities offering documents, and the District takes no responsibility for the accuracy or completeness thereof. The District cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute the Beneficial Owners either (a) payments of interest, principal or premium, if any, with respect to the Bonds or (b) certificates representing ownership interest in or other confirmation of ownership interest in the Bonds, or that they will so do on a timely basis or that DTC, DTC Direct Participants or DTC Indirect Participants will act in the manner described in this Official Statement.

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

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

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

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the

actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

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

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

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

APPENDIX H

[SPECIMEN MUNICIPAL BOND INSURANCE POLICY]

Draft Paying Agent Agreement

PAYING AGENT AGREEMENT

between the

OAKLAND UNIFIED SCHOOL DISTRICT,
Alameda County, California

and

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

Dated as of November 1, 2023

Relating to the

[\$2023A Par Amount]
OAKLAND UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION BONDS
(ELECTION OF 2020), SERIES 2023A

and

[\$2023B Par Amount]
OAKLAND UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION BONDS
(ELECTION OF 2020), SERIES 2023B (FEDERALLY TAXABLE)

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PAYING AGENT AGREEMENT

This PAYING AGENT AGREEMENT is made and entered into as of November 1, 2023, by and between the OAKLAND UNIFIED SCHOOL DISTRICT, a school district duly formed and existing under and by virtue of the Constitution and laws of the State of California (the “District”), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America, as paying agent (the “Paying Agent”), and acknowledged by the Treasurer-Tax Collector of the County of Alameda, California (the “County”).

WITNESSETH:

WHEREAS, an election was duly called and regularly held in the District on November 3, 2020, pursuant to Section 15100 et seq. of the Education Code of the State of California (the “State”), at which a bond proposition (“Measure Y”) summarized as follows was submitted to the electors of the District:

“Shall Oakland Unified School District’s measure to issue \$735 million in bonds for classroom repair and school safety improvements including upgrading classrooms, science labs and technology; improving student safety and security; repairing bathrooms, electrical systems, and plumbing/sewers; and improving energy efficiency/earthquake safety; at legal rates, levying about \$60 per \$100,000 of assessed value, raising an average of \$48.5 million annually for approximately 30 years, with citizens’ oversight, audits, and no money for administrator salaries be adopted?”; and

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

WHEREAS, the District has heretofore issued, or caused the County to issue on the District’s behalf, the “Oakland Unified School District General Obligation Bonds (Election of 2020), Series 2021A” in the aggregate principal amount of \$150,240,000 (the “Series 2021A Bonds”) and the “Oakland Unified School District General Obligation Bonds (Election of 2020), Series 2021B (Federally Taxable)” (the “Series 2021B Bonds”), in the aggregate principal amount of \$34,760,000, for authorized school purposes; and

WHEREAS, by its resolution duly adopted on September 13, 2023 (the “District Resolution”), the Board of Education of the District has authorized the issuance of a portion of said bonds in one or more series in an aggregate principal amount not exceeding \$[NTE Amount], pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State (the “Government Code”), and other applicable provisions of law, including applicable provisions of the Education Code of the State (the “Education Code”); and

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

WHEREAS, the District received a qualified certification in its most recent interim report and thereby requested the County to sell the Bonds on its behalf as required by Section 15140 of the Education Code; and

WHEREAS, the District has found and determined, and by execution hereof so represents, that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Paying Agent Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Paying Agent Agreement;

NOW, THEREFORE, in order to provide for the payment of the Bonds (as defined herein) and the performance and observance by the District of all the covenants, agreements and conditions herein and in the Bonds contained; to secure the acknowledgement and consent of the County Treasurer (as defined herein) to the payment arrangements provided for herein; and in consideration of the mutual covenants and agreements contained herein, and for other valuable consideration to both parties, the District, the County and the Paying Agent hereby agree as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01 Definitions. Unless the context otherwise requires, the terms defined in this Section 1.01 shall, for all purposes hereof and of any amendment hereof or supplement hereto and of the Bonds and of any certificate, opinion, request or other document mentioned herein or therein, have the meanings defined herein, the following definitions to be equally applicable to both the singular and plural forms of any of the terms defined herein:

“Authorized District Representative” shall mean the Superintendent of the District, the Chief Business Officer, the Interim General Counsel, the Acting Chief of Staff, the Chief Systems & Services Officer or the Controller of the District, or any other officer of the District designated by the Superintendent, the Chief Business Officer, the Interim General Counsel, the Acting Chief of Staff, the Chief Systems & Services Officer or the Controller of the District.

“Board of Education” shall mean the Board of Education of the District.

[“Bond Insurer” shall mean [Bond Insurer].]

“Bondowner” or “Owner” shall mean the person in whose name any Bond shall be registered.

“Bonds” shall mean, collectively, the Series 2023A Bonds and the Series 2023B Bonds.

“Building Fund” shall mean the Building Fund of the District administered by the County Treasurer, established pursuant to State law.

“Business Day” shall mean any day of the week other than a Saturday or a Sunday on which the Paying Agent is not required or authorized to remain closed, and on which the New York Stock Exchange is open for business.

“Code” shall mean the Internal Revenue Code of 1986, as the same shall be hereafter amended, and any regulations heretofore issued or which shall be hereafter issued by the United States Department of the Treasury thereunder.

“Continuing Disclosure Certificate” shall mean that certain Continuing Disclosure Certificate executed and delivered by the District, dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“County” shall mean the County of Alameda, State of California.

“County Treasurer” shall mean the Treasurer-Tax Collector of the County. The “Office of the County Treasurer” shall mean the Office of the Treasurer-Tax Collector of the County, in Oakland, California.

“District” shall mean the Oakland Unified School District, located in the County.

“District Resolution” shall mean Resolution No. 2324-[____], adopted by the Board of Education on September 13, 2023.

“Interest and Sinking Fund” shall mean the Interest and Sinking Fund of the District administered by the County Treasurer, established pursuant to State law.

“Interest Payment Date” shall mean February 1 and August 1 of each year. The first Interest Payment Date shall be [February 1, 2024].

“Law” shall mean Chapters 1 and 1.5 of Part 10 of Division 1 of Title 1 of the Education Code of the State, and other applicable provisions of law and Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State.

“Opinion of Counsel” shall mean a written opinion of counsel of recognized national standing in the field of law relating to municipal bonds, appointed and paid by the District.

“Owner.” See “Bondowner” defined herein.

“Paying Agent” shall mean U.S. Bank Trust Company, National Association, as initial paying agent, registrar, and transfer agent with respect to the Bonds, its successors and assigns and any other corporation or association which may at any time be substituted in its place as provided in Section 6.02 hereof.

“Paying Agent Agreement” shall mean this agreement, between the District and the Paying Agent, and acknowledged by the County Treasurer. “Paying Agent Agreement” as used herein shall not refer to any other agreement for paying agent services, specifying

compensation for such services, between the County Treasurer and the Paying Agent relating to the Bonds.

“Record Date” shall mean the 15th day of the month preceding any Interest Payment Date. The first Record Date shall be [January 15, 2024].

“Series 2023A Bonds” shall mean the bonds issued pursuant to this Paying Agent Agreement, designated the “Oakland Unified School District General Obligation Bonds (Election of 2020), Series 2023A.”

“Series 2023B Bonds” shall mean the bonds issued pursuant to this Paying Agent Agreement, designated the “Oakland Unified School District General Obligation Bonds (Election of 2020), Series 2023B (Federally Taxable).”

“State” shall mean the State of California.

“Tax Certificate” shall mean the Tax Certificate concerning certain matters pertaining to the use of proceeds of the Tax-Exempt Bonds, executed and delivered by the District on the date of issuance of the Tax-Exempt Bonds, including all exhibits attached thereto, as such certificate may from time to time be modified or supplemented in accordance with the terms thereof.

“Tax-Exempt Bonds” means the Series 2023A Bonds, interest on which is excluded from gross income for federal income tax purposes under Section 103 of the Code.

“Taxable Bonds” means the Series 2023B Bonds, the interest on which is not excluded from gross income for federal income tax purposes under Section 103 of the Code.

“Underwriter” means, collectively, Siebert Williams Shank & Co., LLC and Stifel, Nicolaus & Company, Incorporated, and their respective successors and assigns.

“Written Order of the District” or “Written Request of the District” shall mean an instrument in writing, signed by an Authorized District Representative, or by any other officer of the District authorized in writing for the purpose by any of said officers or by the Board of Education of the District.

ARTICLE II

THE BONDS

SECTION 2.01 Authorization and Designation. The Bonds are issued for, and the proceeds of sale thereof shall be used exclusively for, the purposes approved by the voters of the District on November 3, 2020, and as authorized by Resolution No. 2324-[____], adopted by the Board of Education on September 13, 2023. The Bonds shall be issued in fully registered form, without coupons.

SECTION 2.02 The Bonds. The Bonds in the aggregate principal amount of \$[Aggregate Par] are issued under this Paying Agent Agreement, upon the terms further described below in this Section:

(a) Date of Bonds. The Bonds shall be dated as of the date of issuance thereof, i.e., [Closing Date].

(b) Denominations of Bonds. The Bonds shall be issued in the denomination of \$5,000 principal amount or any integral multiple thereof. No Bond shall mature on more than one maturity date.

(c) Payment of Principal of Bonds. The Series 2023A Bonds shall mature on August 1 in each of the years and principal amounts and bear interest at the annual rates of interest shown below:

Maturity Date (August 1)	Principal Amount	Interest Rate
	\$	%

*

*Term Bond

The Series 2023B Bonds shall mature on the dates and in each of the years and principal amounts and bear interest at the annual rates of interest shown below:

Maturity Date	Principal Amount	Interest Rate
	\$	%

The principal and any redemption premium of the Bonds shall be payable in lawful money of the United States of America to the Owner thereof, upon the surrender thereof at the office of the Paying Agent designated for the purpose pursuant to Section 6.01(b), on or after the maturity date thereof or upon redemption prior to maturity.

(d) Payment of Interest on Bonds. The Bonds shall bear interest at the respective rates shown in the table in subsection (c) above, payable on February 1 and August 1 of each year, commencing [February 1, 2024], until payment of the principal amount thereof. Each Bond authenticated and registered on any date prior to the close of business on the first Record Date shall bear interest from the date of said Bond. Each Bond authenticated during the period between any Record Date and the close of business on its corresponding Interest Payment Date shall bear interest from such Interest Payment Date. Any other Bond shall bear interest from the Interest Payment Date immediately preceding the date of its authentication. If, at the time of authentication of any Bond, interest is in default on any outstanding Bonds, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the outstanding Bonds. Interest on the Bonds shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

The interest on the Bonds shall be payable in lawful money to the person whose name appears on the bond registration books of the Paying Agent as the Owner thereof as of the close of business on the applicable Record Date for each Interest Payment Date. Payment of the interest on any Bond shall be made by check mailed by first class mail on each Interest Payment Date (or on the following Business Day, if the Interest Payment Date does not fall on a Business Day) to such Owner at such Owner's address as it appears on such registration books or at such address as the Owner may have filed with the Paying Agent for that purpose on or before the Record Date; or upon written request of the Owner of interest-bearing Bonds aggregating not less than \$1,000,000 in principal amount, given no later than the Record Date immediately preceding the applicable Interest Payment Date, by wire transfer in immediately available funds to an account maintained in the United States at such wire address as such Owner shall specify in its written notice. So long as Cede & Co. or its registered assigns shall be the registered owner of any of the Bonds, payment shall be made thereto by wire transfer as provided in Section 2.05(d) hereof.

SECTION 2.03 Form and Registration of Bonds. (a) The Bonds, the Paying Agent's certificate of authentication and registration and the form of assignment to appear thereon, shall be in substantially the form attached hereto as Exhibit A, with necessary or appropriate variations, omissions and insertions as permitted or required by this Paying Agent Agreement (provided that if a portion of the text of any Bond is printed on the reverse of the bond, the following legend shall be printed on the bond: "THE PROVISIONS OF THIS BOND ARE CONTINUED ON THE REVERSE HEREOF AND SUCH CONTINUED PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH AT THIS PLACE.").

(b) The Bonds when issued shall be registered in the name of "Cede & Co.," as nominee of The Depository Trust Company, New York, New York, and shall be initially issued as one bond for each of the maturities of the Bonds for each series, in the principal amounts set forth in the table in Section 2.02. The Depository Trust Company is hereby appointed depository for the Bonds and registered ownership of the Bonds may not thereafter be transferred except as provided in Sections 2.05 and 2.06 hereof.

SECTION 2.04 Execution and Authentication of Bonds. The Bonds shall be signed by the manual or facsimile signature of the President of the Board of Supervisors of

the County and the Treasurer-Tax Collector of the County, and countersigned by the manual or facsimile signature of the Clerk of the Board of Supervisors of the County or their designee. Each Bond shall be authenticated by a manual signature of a duly authorized officer of the Paying Agent. Only such of the Bonds as shall bear thereon a certificate of authentication and registration in the form given in Exhibit A hereto, executed by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Paying Agent Agreement, and such certificate of the Paying Agent shall be conclusive evidence that the Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Paying Agent Agreement.

SECTION 2.05 Book-Entry System. (a) The Bonds shall be initially issued and registered as provided in Section 2.03 hereof. Registered ownership of the Bonds, or any portion thereof, may not thereafter be transferred except:

(i) To any successor of Cede & Co., as nominee of The Depository Trust Company, or its nominee, or to any substitute depository designated pursuant to clause (ii) of this Section (a “substitute depository”); provided, that any successor of Cede & Co., as nominee of The Depository Trust Company or substitute depository, shall be qualified under any applicable laws to provide the services proposed to be provided by it;

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

(iii) To any person as provided below, upon (A) the resignation of The Depository Trust Company or its successor (or substitute depository or its successor) from its functions as depository, or (B) a determination by the District to remove The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository.

(b) In the case of any transfer pursuant to clause (i) or clause (ii) of subsection (a) hereof, upon receipt of the outstanding Bonds by the Paying Agent, together with a Written Request of the District, a new Bond for each maturity shall be executed and delivered pursuant to the procedures described in Section 2.04 hereof in the aggregate principal amount of the Bonds then outstanding, registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such Written Request of the District. In the case of any transfer pursuant to clause (iii) of subsection (a) hereof, upon receipt of the outstanding Bonds by the Paying Agent together with a Written Request of the District, new Bonds shall be executed and delivered in such denominations numbered in the manner determined by the Paying Agent and registered in the names of such persons as are requested in such Written Request of the District, subject to the limitations of Sections 2.02 and 2.03, as applicable, and upon the receipt of such a Written

Request of the District, and thereafter, the Bonds shall be transferred pursuant to the provisions set forth in Section 2.06 of this Paying Agent Agreement; provided, that the Paying Agent shall not be required to deliver such new Bonds within a period of fewer than 60 days.

(c) The District and the Paying Agent shall be entitled to treat the person in whose name any Bond is registered as the Owner thereof, notwithstanding any notice to the contrary received by the District or the Paying Agent, and the District and the Paying Agent shall have no responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owners of the Bonds. Neither the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to the beneficial owners or to any other party including The Depository Trust Company or its successor (or substitute depository or its successor), except as the Owner of any Bonds.

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

SECTION 2.06 Transfer of Bonds upon Termination of Book-Entry System. In the event that at any time the Bonds shall no longer be registered in the name of Cede & Co. as a result of the operation of Section 2.05 hereof, then the procedures contained in this Section 2.06 shall apply.

Any Bond may, in accordance with its terms, be transferred upon the books required to be kept pursuant to the provisions of Section 2.08 hereof by the person in whose name it is registered, in person or by the duly authorized attorney of such person, upon surrender of such Bond to the Paying Agent for cancellation at the office of the Paying Agent designated for that purpose, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Paying Agent.

Whenever any Bond or Bonds shall be surrendered for transfer, the designated District officials shall execute (as provided in Section 2.04 hereof) and the Paying Agent shall authenticate and deliver a new Bond or Bonds of the same maturity, for a like aggregate principal amount and bearing the same rate or rates of interest. The Paying Agent shall require the payment by the Bondowner requesting any such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

No transfer of Bonds shall be required to be made by the Paying Agent during the period from the close of business on the Record Date next preceding any Interest Payment Date or the date fixed for redemption to and including such Interest Payment Date or the date fixed for redemption.

SECTION 2.07 Exchange of Bonds. Bonds may be exchanged at the office of the Paying Agent designated for that purpose, or such other place as the Paying Agent shall designate, for a like aggregate principal amount of Bonds of other authorized denominations of the same maturity and interest rate. The Paying Agent shall require the payment by the

Bondowner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. No exchange of Bonds shall be required to be made by the Paying Agent during the period from the close of business on the Record Date next preceding any Interest Payment Date or date fixed for redemption to and including such Interest Payment Date or the date fixed for redemption.

SECTION 2.08 Bond Register. (a) The Paying Agent will keep or cause to be kept, at the place it shall designate for the purpose, sufficient books for the registration and transfer of the Bonds, which shall at all times be open to inspection by the County Treasurer and the District, and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Bonds as hereinbefore provided.

(b) The Paying Agent shall assign each Bond authenticated and registered by it a distinctive letter or number, or letter and number.

ARTICLE III

ISSUANCE OF THE BONDS

SECTION 3.01 Delivery of Bonds. The Paying Agent is hereby authorized to authenticate and deliver the Bonds to or upon the Written Request of the District.

SECTION 3.02 Application of Proceeds of Sale of Bonds. Upon the delivery of the Bonds to the Underwriter, and the payment by the Underwriter of the purchase price of the Bonds of \$[Purchase Price] (consisting of the par amount thereof, plus the [net] original issue premium of \$[Premium], less the underwriters' discount of \$[UW Discount], [and less the bond insurance premium of \$[Bond Insurance Premium] wired directly to the Bond Insurer]), the District shall cause the respective portions of the net purchase price of the Bonds to be deposited with the County Treasurer and Paying Agent, respectively, and the County Treasurer and Paying Agent shall deposit (or transfer) said amounts as follows:

- (i) the County Treasurer shall deposit \$[Building Fund Deposit] in the Building Fund of the District;
- (ii) the County Treasurer shall deposit \$[I&S Fund Deposit] in the Interest and Sinking Fund of the District; and
- (ii) the Paying Agent shall deposit \$[COI Deposit] to the Costs of Issuance Account, which is hereby created and which shall be held and administered by the Paying Agent hereunder. Amounts deposited in the Costs of Issuance Account shall be paid on the Written Order of the District. Pursuant to the Written Order of the District, the Paying Agent shall transfer any remaining amounts in the Costs of Issuance Account to the County Treasurer for deposit in the Building Fund of the District.

The District shall cause the County Treasurer to create and maintain any accounts or subaccounts for deposit of the proceeds of the Bonds as the District shall determine is

necessary in order to separately monitor the investment and expenditure of such funds in order to comply with the laws applicable to each, and as may be necessary to make any needed calculations of arbitrage and rebate thereon.

The County makes no assurance regarding the application of the proceeds of the Bonds by the District.

SECTION 3.03 Investment of Funds. The proceeds from the sale of the Bonds, exclusive of any premium and accrued interest received, shall be deposited in the County treasury to the credit of the Building Fund of the District. Any premium and accrued interest shall be deposited upon receipt in the Interest and Sinking Fund of the District within the County treasury. Earnings on the investment of moneys in either fund will be retained in that fund and used only for the purposes to which that fund may lawfully be applied. Moneys in the Building Fund may only be applied for the purposes for which the Bonds were approved. Moneys in the Interest and Sinking Fund may only be applied to make payments of interest, principal, and premium, if any, on bonds of the District.

All funds held by the County Treasurer under the District Resolution and hereunder will be invested in the County Treasurer's investment pool; provided that, in the sole discretion of the District, funds deposited in the Building Fund may be invested in the Local Agency Investment Fund administered by the State Treasurer, or any investment authorized pursuant to Sections 53601 and 53635 of the Government Code, all pursuant to law and the investment policy of the County, or in the sole discretion of the District, in investment agreements, including guaranteed investment contracts, float contracts or other investment products; provide that such agreements comply with the requirements of Section 148 of the Code and the requirements of each rating agency then rating the Bonds necessary to maintain the then-current rating on the Bonds.

To the extent permitted by law, an Authorized District Representative may request the County Treasurer, subject to their fiduciary responsibilities, to invest funds held in the Interest and Sinking Fund and in the Building Fund in specific investments, so as to effectively coordinate the investments to the construction program of the District and the debt service payments on the Bonds.

ARTICLE IV

REDEMPTION OF THE BONDS

SECTION 4.01 Terms of Redemption. The Bonds are not subject to optional redemption prior to maturity except as otherwise provided in this Article.

SECTION 4.02 Redemption of Bonds.

(a) Optional Redemption. The Series 2023A Bonds maturing on or before August 1, 20__ are not subject to redemption prior to their respective stated maturity dates. The Series 2023A Bonds maturing on and after August 1, 20__, shall be subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part on any date on or after August 1, 20__, at a redemption price equal to 100%

of the principal amount thereof called for redemption, together with interest accrued thereon to the date of redemption, without premium.

The Series 2023B Bonds are not subject to optional redemption prior to maturity.

(b) Mandatory Sinking Fund Redemption. (i) The \$_____ 2023A Term Bond maturing on August 1, 20___, is also subject to mandatory sinking fund redemption on each Mandatory Sinking Fund Redemption Date and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to 100% of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption:

Mandatory Sinking Fund Redemption Date (August 1)	Principal Amount to be Redeemed
_____	\$ _____

*

* Maturity

The principal amount to be redeemed in each year shown in the table above will be reduced at the option of the District, in integral multiples of \$5,000, by the amount of such Term Bond optionally redeemed prior to the mandatory sinking fund redemption date.

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

(c) Selection of Bonds for Redemption. If less than all of the Bonds of a series are called for redemption, such Bonds shall be redeemed in inverse order of maturities or as otherwise directed by the District. If less than all of the Bonds of any given maturity are called for redemption, the portions of such Bonds of a given maturity to be redeemed shall be determined by lot. For purposes of such selection, each Bond shall be deemed to consist of individual Bonds of denominations of \$5,000 principal amount each, which may be separately redeemed.

SECTION 4.03 Notice of Redemption. (a) Notice of redemption of the Bonds will be mailed by the Paying Agent, upon written request of the District, postage prepaid not less than 20 nor more than 60 days prior to the date fixed for redemption (i) by first class mail to the respective Owners of Bonds designated for redemption at the addresses appearing on the bond registration books of the Paying Agent, and (ii) as may be further required in accordance with the Continuing Disclosure Certificate.

Each notice of redemption shall contain all of the following information: (i) the date of such notice; (ii) the name of the affected Bonds and the date of issue of the Bonds; (iii) the date fixed for redemption; (iv) the redemption price; (v) the dates of maturity of the Bonds to be redeemed; (vi) if less than all of the then outstanding Bonds are to be redeemed, the distinctive serial numbers of the Bonds of each maturity to be redeemed; (vii) in the case of Bonds redeemed in part only, the respective portions of the principal amount of the Bonds of each maturity to be redeemed; (viii) the CUSIP number, if any, of each maturity of Bonds to be redeemed; (ix) a statement that such Bonds must be surrendered by the Owners at the office of the Paying Agent designated by the Paying Agent for such purpose; (x) notice that further interest on such Bonds will not accrue after the designated redemption date; and (xi) in the case of a conditional notice, that such notice is conditioned upon certain circumstances and the manner of rescinding such conditional notice.

The actual receipt by any Owner of any Bond of notice of such redemption will not be a condition precedent to redemption, and failure to receive such notice, or any defect in the notice given, will not affect the validity of the proceedings for the redemption of such Bonds or the cessation of interest on the date fixed for redemption.

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

(c) Conditional Notice. Any notice of optional redemption of the Bonds delivered in accordance herewith may be conditional and if any condition stated in the notice of redemption shall not have been satisfied on or prior to the redemption date, (i) said notice shall be of no force and effect; (ii) the District shall not be required to redeem such Bonds; (iii) the redemption shall be cancelled; and (iv) the Paying Agent shall within a reasonable time thereafter give notice to the persons and in the manner in which the conditional notice of redemption was given, that such condition or conditions were not met and that the redemption was cancelled. The actual receipt by the Owner of any Bond of notice of such cancellation shall not be a condition precedent to cancellation, and failure to receive such notice or any defect in such notice shall not affect the validity of the cancellation.

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

(e) Redemption Fund. Prior to or on the redemption date of any Bonds there shall be available in the Interest and Sinking Fund of the District, or held in trust for such purpose as provided by law, moneys for the purpose and sufficient to redeem, at the premiums payable as in this Paying Agent Agreement provided, the Bonds designated in said notice of redemption. Such moneys so set aside in any such escrow fund shall be applied on or after the redemption date solely for payment of principal of and premium, if any, on the Bonds to be redeemed upon presentation and surrender of such Bonds, provided that all moneys in the Interest and Sinking Fund of the District shall be used for the purposes established and permitted by law. Any interest due on or prior to the redemption date shall be paid from the Interest and Sinking Fund of the District, unless otherwise provided for to be paid from such escrow. If, after all of the Bonds have been redeemed and cancelled or paid and cancelled, there are moneys remaining in the Interest and Sinking Fund of the District or otherwise held in trust for the payment of redemption price of the Bonds, said moneys shall be held in or returned or transferred to the Interest and Sinking Fund of the District for payment of any outstanding bonds of the District payable from said fund; provided, however, that if said moneys are part of the proceeds of bonds of the District, said moneys shall be transferred to the fund created for the payment of principal of and interest on such bonds. If no such bonds of the District are at such time outstanding, said moneys shall be transferred to the general fund of the District as provided and permitted by law.

SECTION 4.04 Defeasance of Bonds. The District may pay and discharge any or all of the Bonds by depositing in trust with the Paying Agent or an escrow agent at or before maturity, money or non-callable direct obligations of the United States of America or other non-callable obligations the payment of the principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of America, in an amount which will, together with the interest to accrue thereon and available moneys then on deposit in the Interest and Sinking Fund, be fully sufficient in the opinion of a certified public accountant licensed to practice in the State to pay and discharge the indebtedness on such Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates.

If at any time the District shall pay or cause to be paid or there shall otherwise be paid to the Owners of any or all outstanding Bonds all of the principal, interest and premium, if any, represented by such Bonds when due, or as described above, or as otherwise provided by law, then such Owners shall cease to be entitled to the obligation of the County to levy and collect taxes to pay the Bonds as described in Section 6.07 hereof, and such obligation and all

agreements and covenants of the District to such Owners hereunder and under the Bonds shall thereupon be satisfied and discharged and shall terminate, except only that the District shall remain liable for payment of all principal, interest and premium, if any, represented by such Bonds, but only out of moneys on deposit in the Interest and Sinking Fund or otherwise held in trust for such payment, provided, that the unclaimed moneys provisions described in Section 6.07 hereof shall apply in all events.

ARTICLE V

OTHER COVENANTS

SECTION 5.01 Payment of Principal and Interest. On or prior to the date any payment is due in respect of the Bonds, the County Treasurer will deposit with the Paying Agent moneys sufficient to pay the principal and the interest (and premium, if any) to become due in respect of all Bonds outstanding on such Interest Payment Date, but only as required by the Law. When and as paid in full, and following surrender thereof to the Paying Agent, all Bonds shall be cancelled by the Paying Agent, and thereafter they shall be destroyed. Moneys for the payment of principal, redemption premium, if any, and interest with respect to the Bonds shall be raised by taxation upon all taxable property in the District and the County shall provide for the levy and collection of such taxes in the manner provided by the Law.

SECTION 5.02 Obligation to Levy Taxes for Payment of Bonds. The Board of Supervisors and officers of the County are obligated by statute to provide for the levy and collection of property taxes in each year sufficient to pay all principal of and interest coming due on the Bonds in such year, and the County Treasurer is obligated by statute to pay from such taxes all amounts due on the Bonds. The District shall take all steps required by law and by the County to ensure that the Board of Supervisors shall annually levy a tax upon all taxable property in the District sufficient to redeem the Bonds, and to pay the principal, redemption premium, if any, and interest thereon as and when the same become due. The District is not obligated to pledge and pledges no moneys hereunder other than as provided for and required by the Law.

SECTION 5.03 Further Assurances. The District will promptly execute and deliver or cause to be executed and delivered all such other and further instruments, documents or assurances, and promptly do or cause to be done all such other actions as may be necessary or reasonably required in order to further and more fully vest in the Bondowners all rights, interest, powers, benefits, privileges and advantages conferred or intended to be conferred upon them by this Paying Agent Agreement.

SECTION 5.04 Tax Covenants. (a) The District shall not take any action or inaction, or fail to take any action, or permit any action to be taken on its behalf or cause or permit any circumstances within its control to arise or continue, if such action or inaction would adversely affect the exclusion from gross income of the interest payable on the Tax-Exempt Bonds under Section 103 of the Code. Without limiting the generality of the foregoing, the District shall comply with the instructions and requirements of the Tax Certificate for the Tax-Exempt Bonds. This covenant shall survive payment in full or defeasance of the Tax-Exempt Bonds.

(b) In the event that at any time the District is of the opinion that for purposes of this Section it is necessary or helpful to restrict or limit the yield on the investment of any moneys held by the Paying Agent under this Paying Agent Agreement, the District shall so instruct the Paying Agent, as appropriate, in writing, and the Paying Agent shall take such action as may be necessary in accordance with such instructions.

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

SECTION 5.05 Validity of Bonds. The recital contained in the Bonds that the same are regularly issued pursuant to the Law and that the total amount of indebtedness of the District, including the amount of the Bonds, is within the limit provided by law, shall be conclusive evidence of their validity and of compliance with the provisions of the Law in their issuance.

ARTICLE VI

THE PAYING AGENT

SECTION 6.01 Appointment; Acceptance; Designated Office. (a) Appointment and Acceptance of Duties. U.S. Bank Trust Company, National Association, is hereby appointed Paying Agent, and hereby accepts and agrees to perform the duties and obligations of the Paying Agent, registrar and transfer agent specifically imposed upon it by this Paying Agent Agreement, and no implied duties shall be read into this Paying Agent Agreement against the Paying Agent.

The Paying Agent is hereby authorized and hereby agrees to pay or redeem the Bonds when duly presented for payment at maturity, or on prior redemption, and to cancel all Bonds upon payment thereof. The Paying Agent shall keep accurate records of all funds administered by it and of all Bonds paid and discharged.

(b) Office of the Paying Agent. The Paying Agent, and any successor Paying Agent, shall designate each place or places where it will conduct the functions of transfer, registration, exchange, payment, and surrender of the Bonds. If no office is so designated for a particular purpose, such functions shall be conducted at the office of U.S. Bank Trust Company, National Association, in St. Paul, Minnesota, or the principal corporate trust office of any successor Paying Agent.

SECTION 6.02 Resignation, Removal, Replacement of Paying Agent; Merger or Consolidation. The Paying Agent may at any time resign by giving written notice to the District and the County Treasurer of such resignation, whereupon the County Treasurer shall promptly appoint a successor Paying Agent by the resignation date. Resignation of the Paying

Agent will be effective 45 days after notice of the resignation is given as stated above or upon appointment of a successor Paying Agent, whichever first occurs. The County Treasurer may at any time remove the Paying Agent and any successor Paying Agent by an instrument given in writing, with copy to the District. After removal or receiving a notice of resignation of the Paying Agent, the County Treasurer may appoint a temporary Paying Agent or temporarily assume the duties of the Paying Agent to replace the former Paying Agent until the County Treasurer appoints a successor Paying Agent. Any such temporary Paying Agent so appointed by the County Treasurer shall immediately and without further act be superseded by the successor Paying Agent upon the appointment of and acceptance thereof by such successor.

(b) The Paying Agent, if not U.S. Bank Trust Company, National Association, shall be a bank, national banking association or trust company having trust powers incorporated or organized under the laws of the United States of America or any state thereof, having (or if such bank, national banking association or trust company is a member of a bank holding company system, its parent bank holding company shall have) a combined capital and surplus of at least \$100,000,000, in good standing and subject to supervision or examination by federal or state agency. If such bank, national banking association or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining agency above referred to, then for the purpose of this subsection the combined capital and surplus of such bank, national banking association or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

(c) *Merger or Consolidation.* Any bank, national banking association or trust company into which a successor Paying Agent may be merged or converted or with which it may be consolidated or any bank, national banking association or trust company resulting from any merger, conversion or consolidation to which it shall be a party or any bank, national banking association or trust company to which the Paying Agent may sell or transfer all or substantially all of its corporate trust business, provided such bank, national banking association or trust company shall be eligible under Section 6.02(b) shall be the successor to such Paying Agent, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

SECTION 6.03 Protection of Paying Agent. The Paying Agent hereby agrees, provided sufficient immediately available funds have been provided to it for such purpose by the District, to use the funds deposited with it solely for payment of the principal of and interest on the Bonds as the same shall become due or become subject to earlier redemption.

SECTION 6.04 Reliance on Documents, Etc.

(a) The Paying Agent may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Paying Agent by the District.

(b) The Paying Agent shall not be liable for any error of judgment made in good faith. The Paying Agent shall not be liable for, other than its negligence or willful misconduct in connection with, any act or omission hereunder.

(c) No provision of this Paying Agent Agreement shall require the Paying Agent to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers.

(d) The Paying Agent may rely, or be protected in acting or refraining from acting, upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Paying Agent need not examine the ownership of any Bond, but is protected in acting upon receipt of Bonds containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Owner or agent of the Owner.

(e) The Paying Agent may consult with counsel, and the written advice of such counsel or any Opinion of Counsel shall be full authorization and protection with respect to any action taken, suffered or omitted by it hereunder in good faith and reliance thereon.

(f) The Paying Agent may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys.

SECTION 6.05 Recitals of District. The recitals contained herein and in the Bonds shall be taken as the statements of the District or the County, as appropriate, and the Paying Agent assumes no responsibility for their correctness.

SECTION 6.06 Paying Agent May Own Bonds. The Paying Agent, in its individual or any other capacity, may become the Owner or pledgee of Bonds with the same rights it would have if it were not the Paying Agent for the Bonds.

SECTION 6.07 Money Held by Paying Agent; Unclaimed Moneys. Money held by the Paying Agent hereunder may be commingled with other funds held by the Paying Agent, but shall be separately accounted for. Except as otherwise provided herein, the Paying Agent shall have no duties with respect to investment of funds deposited with it and shall be under no obligation to pay interest on any money received by it hereunder.

Any money held in any fund created pursuant to this Paying Agent Agreement, or held by the Paying Agent in trust, for the payment of the principal of, redemption premium, if any, or interest on the Bonds and remaining unclaimed for two years after the principal of all of the Bonds has become due and payable (whether by maturity or upon prior redemption) shall be transferred to the Interest and Sinking Fund for payment of any outstanding bonds of the District payable from said fund; or, if no such bonds of the District are at such time outstanding, said moneys shall be transferred to the general fund of the District as provided and permitted by law.

SECTION 6.08 Other Transactions. The Paying Agent may engage in or be interested in any financial or other transaction with the District.

SECTION 6.09 Interpleader. The Paying Agent may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit, in a court of competent jurisdiction. The Paying Agent has the right to file an action in interpleader in any court of competent jurisdiction to determine the rights of any person claiming any interest herein.

SECTION 6.10 Indemnification. The District, to the extent permitted by law, shall indemnify the Paying Agent, its officers, directors, employees, and agents for, and hold them harmless against any loss, cost, claim, liability or expense arising out of or in connection with the Paying Agent's acceptance or administration of the Paying Agent's duties hereunder or under the Bonds (except any loss, liability or expense as may be adjudicated by a court of competent jurisdiction to be attributable to the Paying Agent's negligence or willful misconduct), including without limitation the cost and expense (including its counsel fees and disbursements, including the allocated costs and disbursements of internal counsel) of defending itself against any claim or liability (except such action as may be brought against the Paying Agent by the District) in connection with the exercise or performance of any of its powers or duties under this Paying Agent Agreement. The provisions of this Section 6.10 shall survive termination of this Paying Agent Agreement and shall continue for the benefit of any Paying Agent after its resignation as Paying Agent hereunder.

SECTION 6.11 Instructions to Paying Agent. The Paying Agent agrees to accept and act upon instructions or directions pursuant to this Paying Agent Agreement sent by unsecured email, facsimile transmission or other similar unsecured electronic methods, provided, however, that the District shall provide to the Paying Agent an incumbency certificate listing designated persons authorized to provide such instructions, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the District elects to give the Paying Agent email or facsimile instructions (or instructions by a similar electronic method) and the Paying Agent in its discretion elects to act upon such instructions, the Paying Agent's understanding of such instructions shall be deemed controlling. The Paying Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Paying Agent's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The District agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Paying Agent, including without limitation the risk of the Paying Agent acting on unauthorized instruction, and the risk of interception and misuse by third parties.

ARTICLE VII

MISCELLANEOUS

SECTION 7.01 Counterparts. This Paying Agent Agreement may be signed in several counterparts, each of which will constitute an original, but all of which shall constitute one and the same instrument.

SECTION 7.02 Continuing Disclosure. The District hereby covenants and agrees that it shall comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Paying Agent Agreement, failure of the District to comply with the Continuing Disclosure Certificate shall not be considered an event of default hereunder; provided that any Owner or Beneficial Owner (as defined below) may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Section. For purposes of this Section 7.02, "Beneficial Owner" shall mean any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership

of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

SECTION 7.03 Notices. Unless otherwise specified herein, all notices, statements, orders, requests or other communications hereunder by any party to another shall be in writing and shall be sufficiently given and served upon the other party if delivered personally or if mailed by United States registered or certified mail, return receipt requested, postage prepaid, or if given by fax, electronically, or other means of written communication and confirmed by mail:

If to the District:

Oakland Unified School District
1011 Union Street
Oakland, CA 94607
Attn: Chief Business Officer

If to the County:

County of Alameda
1221 Oak Street, Room 131
Oakland, CA 94612
Attn: Treasurer-Tax Collector

If to the Paying Agent:

U.S. Bank Trust Company, National Association
One California Street, Suite 1000
San Francisco, CA 94111
Attn: Global Corporate Trust Services

SECTION 7.04 Governing Law. This Paying Agent Agreement shall be governed by the laws of the State of California.

IN WITNESS WHEREOF, the parties hereto have caused this Paying Agent Agreement, relating to the OAKLAND UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION BONDS (ELECTION OF 2020), SERIES 2023A and OAKLAND UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION BONDS (ELECTION OF 2020), SERIES 2023B (FEDERALLY TAXABLE), to be duly executed by their officers duly authorized as of the date first written above.

OAKLAND UNIFIED SCHOOL DISTRICT

By _____
Authorized District Representative

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

By _____
Authorized Officer

Acknowledged:

By _____
Treasurer-Tax Collector
County of Alameda

EXHIBIT A

FORM OF BOND

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

OAKLAND UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION BONDS
(ELECTION OF 2020), SERIES [2023A][2023B (FEDERALLY TAXABLE)]

Dated as of	Maturity Date	Interest Rate	CUSIP No.
[Closing Date]	_____ 1, 20__	_____ %	672325__

Registered Owner: CEDE & CO.

Principal Sum: _____ DOLLARS

Oakland Unified School District, County of Alameda, State of California (the “District”), hereby acknowledges itself obligated to and promises to cause to be paid to the registered owner identified above or registered assigns, but only from taxes collected by the County of Alameda (the “County”) for such purpose pursuant to Section 15250 of the Education Code of the State of California, on the maturity date set forth above or upon redemption prior thereto, the principal sum specified above in lawful money of the United States of America, and to pay interest thereon in like lawful money at the interest rate per annum stated above, computed on the basis of a 360-day year of twelve 30-day months, payable on February 1 and August 1 in each year (each an “Interest Payment Date”), commencing [February 1, 2024], until payment of said principal sum. If this bond is authenticated and registered on any date prior to the close of business on [January 15, 2024], it shall bear interest from the date hereof. If authenticated during the period between any Record Date (defined as the 15th day of the month preceding an Interest Payment Date) and the close of business on its corresponding Interest Payment Date, it shall bear interest from such Interest Payment Date. Otherwise, this bond shall bear interest from the Interest Payment Date immediately preceding the date of its authentication.

The principal hereof is payable to the registered owner hereof upon the surrender hereof at the place or places designated for the purpose by the paying agent/registrar and transfer agent of the District (the “Paying Agent”), initially U.S. Bank Trust Company, National Association. The interest hereon is payable to the person whose name appears on the bond registration books of the Paying Agent as the registered owner hereof as of the close of business on the Record Date preceding each Interest Payment Date, such interest to be paid by check mailed to such registered owner at the owner’s address as it appears on such registration books, or at such other address filed with the Paying Agent for that purpose. Upon written request, given no later than the Record Date immediately preceding an Interest Payment Date, of the owner of Bonds (hereinafter defined) aggregating at least \$1,000,000 in principal amount,

interest will be paid by wire transfer to an account maintained in the United States as specified by the owner in such request. So long as Cede & Co. or its registered assigns shall be the registered owner of this bond, payment shall be made by wire transfer as provided in the Paying Agent Agreement hereinafter described.

This bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying series, numbers, denominations, interest rates, maturities and redemption provisions), amounting in the aggregate to \$[2023A Par Amount][2023B Par Amount], and designated as “Oakland Unified School District General Obligation Bonds (Election of 2020), Series [2023A][2023B (Federally Taxable)]” (the “Bonds”). The Bonds were authorized by a vote of at least 55% of the voters voting at an election duly and legally called, held and conducted in the District on November 3, 2020. The Bonds are issued by the District and sold by the Board of Supervisors of the County (the “Board of Supervisors”) pursuant to and in strict conformity with the provisions of the Constitution and laws of the State of California, and of a resolution (herein called the “County Resolution”) adopted by said Board of Supervisors on [October 17], 2023, at the request of the District pursuant to a resolution adopted by the Board of Education of the District on September 13, 2023 (the “District Resolution” and, together with the County Resolution, the “Resolution”), and subject to the more particular terms specified in the Paying Agent Agreement, dated as of November 1, 2023, between the District and the Paying Agent and acknowledged by the Treasurer-Tax Collector of the County (the “Paying Agent Agreement”). Reference is hereby made to the Paying Agent Agreement and any and all amendments thereof for a description of the terms on which the Bonds are issued, for the rights of the owners of the Bonds, for the provisions for payment of the Bonds, and for any amendment of the Paying Agent Agreement (with or without consent of the owners of the Bonds); and all the terms of the Paying Agent Agreement are hereby incorporated herein and constitute a contract between the District and the registered owner of this bond, to all the provisions of which the registered owner of this bond, by acceptance hereof, agrees and consents. Capitalized undefined terms used herein have the meanings ascribed thereto in the Paying Agent Agreement.

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

This bond is transferable by the registered owner hereof, in person or by attorney duly authorized in writing, at said office of the Paying Agent, but only in the manner, subject to the limitations and upon payment of the charges provided in the Paying Agent Agreement, and upon surrender and cancellation of this bond. Upon such transfer, a new Bond or Bonds of authorized denomination or denominations for the same series, maturity, interest rate, and same aggregate principal amount will be issued to the transferee in exchange herefor.

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

[The Bonds are subject to optional and mandatory sinking fund redemption on the terms and subject to the conditions specified in the Paying Agent Agreement. If this bond is called for redemption and payment is duly provided therefor, interest shall cease to accrue hereon from and after the date fixed for redemption.] [The Bonds are not subject to redemption prior to maturity.]

The Bonds represent an obligation of the District payable out of the Interest and Sinking Fund of the District, and the money for the redemption of this bond, and the payment of principal of, premium, if any, and interest thereon, shall be raised by taxation upon the taxable property of the District.

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

IN WITNESS WHEREOF the Board of Supervisors of the County of Alameda, State of California, has caused this OAKLAND UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION BOND (ELECTION OF 2020), SERIES [2023A][2023B (FEDERALLY TAXABLE)], to be executed by the manual or facsimile signatures of its President and the Treasurer-Tax Collector of the County, and to be countersigned by the manual or facsimile signature of the Clerk of said Board, as of the date set forth above.

President of the Board of Supervisors
of the County of Alameda

Treasurer-Tax Collector
of the County of Alameda

Countersigned:

Clerk of the Board of Supervisors
of the County of Alameda

PAYING AGENT'S CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

This is one of the OAKLAND UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION BONDS (ELECTION OF 2020), SERIES [2023A][2023B (FEDERALLY TAXABLE)], described in the within-mentioned Paying Agent Agreement and authenticated and registered on [Closing Date].

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION, as Paying Agent/Registrar and
Transfer Agent

By _____
Authorized Officer

DTC LEGEND

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

[STATEMENT OF INSURANCE]

[[Bond Insurer] (“[]”), New York, New York, has delivered its municipal bond insurance policy (the “Policy”) with respect to the scheduled payments due of principal of and interest on the Bonds, to U.S. Bank Trust Company, National Association, San Francisco, California, or its successor, as paying agent for the Bonds (the “Paying Agent”). Said Policy is on file and available for inspection at the principal office of the Paying Agent and a copy thereof may be obtained from [] or the Paying Agent. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. By its purchase of these Bonds, the owner acknowledges and consents to the subrogation and all other rights of [] as more fully set forth in the Policy.]

ASSIGNMENT

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

I.D. Number

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

Dated: _____

Signature Guarantee: _____

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

Draft Continuing Disclosure Certificate

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the Oakland Unified School District (the “District”) in connection with the issuance of: \$ _____ aggregate principal amount of Oakland Unified School District General Obligation Bonds (Election of 2020), Series 2023A and \$ _____ aggregate principal amount of Oakland Unified School District General Obligation Bonds (Election of 2020), Series 2023B (Federally Taxable) (collectively, the “Bonds”). The Bonds are being issued as authorized by a resolution adopted by the Board of Education of the District on [September 13], 2023 (the “Resolution”) and in accordance with the terms of Paying Agent Agreement, dated as of November 1, 2023 (the “Paying Agent Agreement”), and by and between the District and U.S. Bank Trust Company, National Association, as paying agent (the “Paying Agent”), and acknowledged by the County of Alameda.

The District covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule.

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

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

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

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

“Financial Obligation” shall mean, for purposes of the Listed Events set out in Section 5(a)(10) and Section 5(b)(8), a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “Financial Obligation” shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

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

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

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

“Official Statement” shall mean the Official Statement relating to the Bonds dated _____, 2023.

“Participating Underwriter” shall mean the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

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

SECTION 3. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent to, not later than nine months after the end of the District’s fiscal year (presently June 30), commencing with the Annual Report for the fiscal year of the District ending June 30, 2023 (which is due no later than April 1, 2024), provide to the Participating Underwriter and the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Each Annual Report must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB, and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the District may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. Neither the Paying Agent nor the Dissemination Agent shall have any duties or responsibilities with respect to the contents of the Annual Report. If the District’s fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5.

(b) Not later than fifteen (15) business days prior to the date specified in subsection (a) for providing the Annual Report to the MSRB, the District shall provide the Annual Report to the Dissemination Agent and the Paying Agent (if the Paying Agent is not the Dissemination Agent). If by such date, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the District and the Paying Agent to determine if the District is in compliance with the first sentence of this subsection (b). If the Paying Agent is unable to verify that an Annual Report has been provided to the MSRB by the date required in subsection (a), the Paying Agent shall send a notice, in electronic format, to the MSRB, such notice to be in substantially the form attached hereto as Exhibit A.

(c) If the Annual Report is delivered to the Dissemination Agent for filing, the Dissemination Agent shall file a report with the District and (if the Dissemination Agent is not the Paying Agent) the Paying Agent certifying that the Annual Report has been provided pursuant to this Disclosure Certificate and stating the date it was provided.

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

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

To the extent not included in the audited financial statements of the District, the Annual Report shall also include the following for the preceding fiscal year (except as noted otherwise):

- (1) Adopted budget of the District for the current fiscal year, or a summary thereof, and any interim budget reports approved as of the date of filing of the Annual Report;
- (2) General fund revenues, expenditures and a fund balance table;
- (3) District average daily attendance;
- (4) District outstanding debt (including amortization schedules);
- (5) Information regarding total assessed value of taxable properties within the District;
- (6) Information regarding the ten largest property owners based on assessed valuation within the District;
- (7) Information regarding total secured tax charges, collections and delinquencies on taxable properties within the District;
- (8) CalSTRS and CalPERS contributions; and
- (9) If and to the extent provided to the District by the County by no later than five (5) business days prior to the Annual Report due date, information regarding total assessed valuation and parcels by land use and assessed valuation of single family homes. If the information is provided at a date later than the Annual Report due date, then the District shall promptly file such information following its receipt via a supplement to the Annual Report.

The Annual Report may consist of one or more documents. Any or all of the items listed above may be set forth in one or a set of documents or may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which are available to the public on the MSRB website. If the document included by reference is a final official statement, it must be available from the MSRB. The District shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) The District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds not later than ten (10) business days after the occurrence of the event:

1. Principal and interest payment delinquencies;
2. Unscheduled draws on debt service reserves reflecting financial difficulties;
3. Unscheduled draws on credit enhancements reflecting financial difficulties;
4. Substitution of credit or liquidity providers, or their failure to perform;
5. Adverse tax opinions or issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB);
6. Tender offers;

7. Defeasances;
8. Rating changes;
9. Bankruptcy, insolvency, receivership or similar event of the obligated person; or
10. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the District, any of which reflect financial difficulties.

Note: For the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(b) The District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material, not later than ten (10) business days after the occurrence of the event:

1. Unless described in Section 5(a)(5), other material notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
2. Modifications to rights of Bond holders;
3. Optional, unscheduled or contingent Bond calls;
4. Release, substitution, or sale of property securing repayment of the Bonds;
5. Non-payment related defaults;
6. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;
7. Appointment of a successor or additional paying agent or the change of name of a paying agent; or
8. Incurrence of a Financial Obligation of the District, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the District, any of which affect holders of the Bonds.

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

(d) Whenever the District obtains knowledge of the occurrence of a Listed Event described in Section 5(b), the District shall determine if such event would be material under applicable federal securities laws.

(e) If the District learns of the occurrence of a Listed Event described in Section 5(a), or determines that knowledge of a Listed Event described in Section 5(b) would be material under applicable federal securities laws, the District shall within ten (10) business days of occurrence file a notice of such occurrence with the MSRB in electronic format, accompanied by such identifying information as is prescribed by the MSRB. Notwithstanding the foregoing, notice of the Listed Event described in Section 5(b)(3) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Paying Agent Agreement.

(f) The District intends to comply with the Listed Events described in Section 5(a)(10) and Section 5(b)(8), and the definition of “Financial Obligation” in Section 1, with reference to the rule, any other applicable federal securities laws and the guidance provided by the Securities and Exchange Commission in Release No. 34-83885 dated August 20, 2018 (the “2018 Release”), and any further amendments or written guidance provided by the Securities and Exchange Commission or its staff with respect to the amendments to the Rule effected by the 2018 Release.

SECTION 6. Termination of Reporting Obligation. The District’s obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the District shall give notice of such termination in the same manner as for a Listed Event under Section 5(e).

SECTION 7. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the District pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be Isom Advisors, a Division of Urban Futures, Inc.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

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

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

(c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the District shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the District. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(e), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the District shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the District to comply with any provision of this Disclosure Certificate any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Certificate; provided that any such action may be instituted only in Superior Court of the State of California in and for the County of Alameda or in U.S. District Court in or nearest to the County. The sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: _____, 2023

OAKLAND UNIFIED SCHOOL DISTRICT

By _____
Chief Business Officer

OUSD Board Bond Overview August 2023



**OAKLAND UNIFIED
SCHOOL DISTRICT**
Community Schools, Thriving Students

OUSD Bond Program Overview and Issuance of the Measure Y Series 2023 Bonds

by

Isom Advisors,
a Division of Urban Futures, Inc.

August 2023



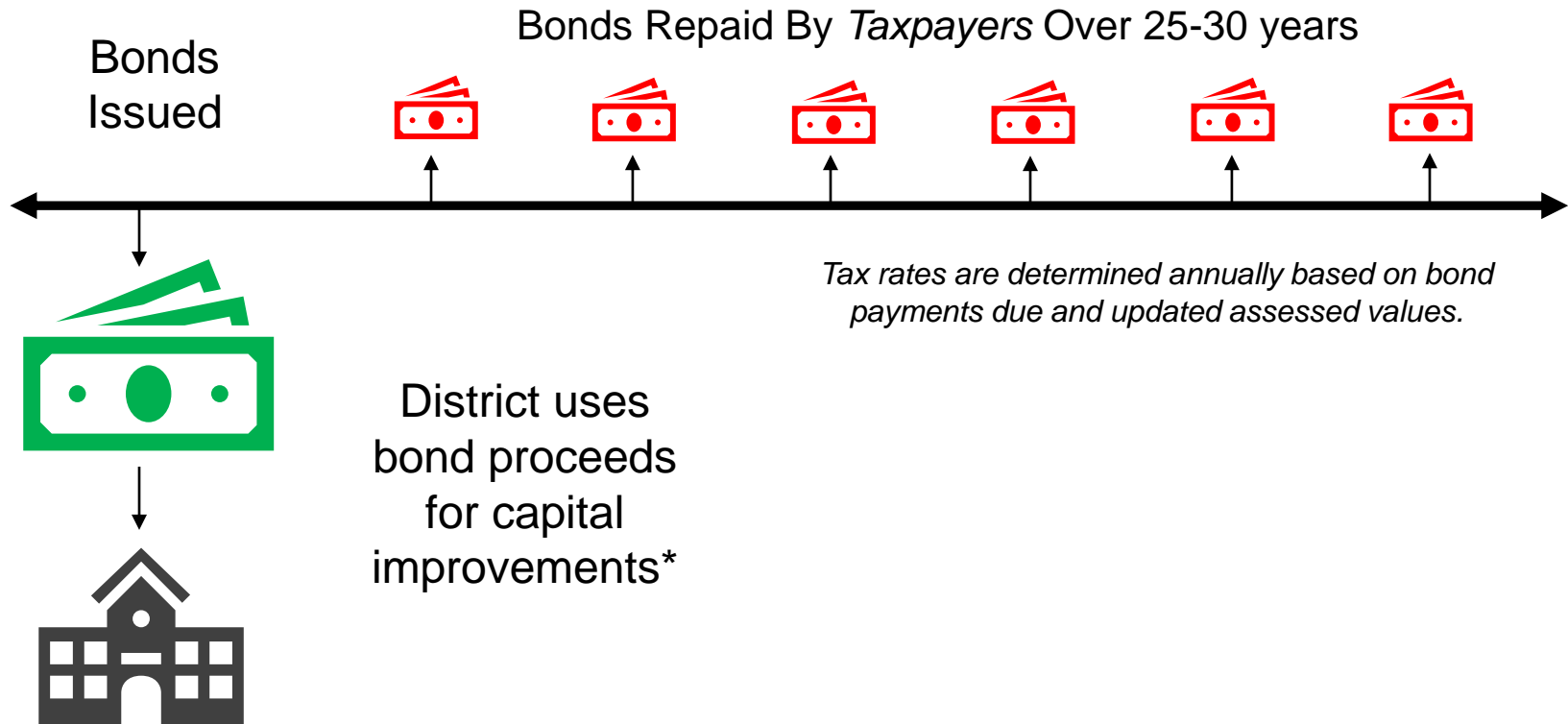
Bonds “101”

GO Bond “Cash Flow”

Bond repayment terms align with useful life of project

Oakland Unified School District

- ❖ General obligation bonds are a type of long-term debt that is repaid over time (usually 25 to 30 years) to correspond with the “useful life” of the facilities constructed.



* Proposition 39 bond proceeds can also be used to “furnish” and “equip” schools.

Bond Program Tax Rate

Sample Property Tax Bill

Oakland Unified School District

2022-2023 INTERNET COPY
ALAMEDA COUNTY SECURED PROPERTY TAX STATEMENT

For Fiscal Year Beginning July 1, 2022 and Ending June 30, 2023



Henry C. Levy, Treasurer and Tax Collector
 1221 Oak Street, Room 131
 Oakland, California 94612

Parcel Number	Tracer Number	Tax-Rate Area	Special Handling
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Location of Property

[REDACTED]

Assessed to on January 1, 2022

ASSESSEE NAME AND ADDRESS ARE NOT AVAILABLE ONLINE
 PER CA GOV CODE §6254.21

THIS IS NOT AN OFFICIAL BILL

Tax-Rate Breakdown		
Taxing Agency	Tax Rate	Ad Valorem Tax
COUNTYWIDE TAX	1.0000 %	[REDACTED]
VOTER APPROVED DEBT SERVICE:		
COUNTY GO BOND	0.0103 %	[REDACTED]
CITY OF OAKLAND 1	0.2035 %	[REDACTED]
SCHOOL UNIFIED	0.1026 %	[REDACTED]
SCHOOL COMM COLL	0.0409 %	[REDACTED]
BAY AREA RAPID TRANSIT	0.0140 %	[REDACTED]
EAST BAY REGIONAL PARK	0.0058 %	[REDACTED]
TOTAL AD VALOREM TAX (AV TAX)	1.3771 %	[REDACTED]



Fixed Charges and/or Special Assessments			
Description	Exemption Code	Phone	Amount
MOSQ MSR K 1982		800-273-5167	3.50
CSA PARAMEDIC		800-273-5167	112.22
VEC CNTRL MSR A 84		800-273-5167	14.40
CITY EMERG MEDICAL		510-238-2942	33.52
CITY PARAMEDIC SRV		510-238-2942	26.70
CSA LEAD ABATEMENT		510-567-8280	30.00
OUSD 2008MEASURE G	b	510-879-8884	195.00
PERALTA 2018MEAS E		800-792-8021	48.00
OUSD 2014MEASURE N	a,b	510-879-8884	120.00
OUSD 2016MEASURE G1	a,b	510-879-8884	120.00
VIOLENCE PREV TAX	a,b	510-238-2942	251.18
CITY LIBRARY SRV-D	a,b	510-238-2942	181.92
2020 OAK MEASURE Q	a,b	510-238-2942	332.58
OAKLAND MEASURE AA	a,b	510-238-2942	462.14
SFBRA MEASURE AA		888-508-8157	12.00
FLOOD BENEFIT 12		510-670-5212	16.00
HAZ WASTE PROGRAM		800-273-5167	19.92
VECTOR CNTRL ASMT		800-273-5167	8.28
MOSQUITO ASMT 2008		800-273-5167	3.44
EBRPD CFD NO A/C-3		888-512-0316	24.84
AC TRANSIT MEAS VV		800-273-5167	96.00
CITY LIBRARY SERV	a,b	510-238-2942	234.66
SEE SEC 8 ON REVERSE SIDE FOR DTLs			
Additional Total from Reverse Side			333.46
Total Fixed Charges and/or Special Assessments			2,679.76

Tax Computation Worksheet			
Description	Full Valuation	x Tax Rate	= Tax Amount
LAND IMPROVEMENTS	[REDACTED]		
FIXTURES	[REDACTED]		
TOTAL REAL PROPERTY PERSONAL PROPERTY GROSS ASSESSMENT & TAX	[REDACTED]	1.3771 %	[REDACTED]
HOMEOWNERS EXEMPTION			
OTHER EXEMPTION			
TOTAL AD VALOREM TAX		1.3771 %	[REDACTED]
Ad Valorem Tax plus Special Assessments			[REDACTED]
First Installment	Second Installment	Total Amount Due	
PAID [REDACTED]	PAID [REDACTED]	[REDACTED]	

Source: County of Alameda

Community and Bonds

- ❖ General obligation bonds are community supported and it is important to incorporate community values into the bond program.
 - Independent Citizens Bond Oversight committee.
 - ✓ Nine community members.
 - ✓ Ensures that bond proceeds are only spent for the specific projects listed in the bond measure.



Oakland USD Bond Program and 2023 Bond Issuance

History of Bond Authorizations

Supportive Community

Oakland Unified School District

- ❖ District voters have approved five separate bond measures since 1994.

Date	Par Amount	Voter Approval %
November 8, 1994 (Measure C)	\$170,000,000	84.0% (66.7% required)
March 7, 2000 (Measure A)	\$303,000,000	84.7% (66.7% required)
June 6, 2006 (Measure B)	\$435,000,000	78.0% (55.0% required)
November 6, 2012 (Measure J)	\$475,000,000	84.4% (55.0% required)
November 3, 2020 (Measure Y)	\$735,000,000*	77.7% (55.0% required)

* Of the total \$735 million from the Measure Y authorization, \$185 million was issued in 2021, leaving \$550 million in authorized but unissued bonds.

Measure Y Bond Authorization

Second Series of Bonds from Measure Y

Oakland Unified School District

- ❖ The Series 2023 bonds will be the second series* of bonds from the Measure Y bond authorization.
 - **Par Amount of Bonds:** \$185 million.
 - **Bond Structure:** Traditional current interest bonds with 25-year repayment terms.
 - **Tax Rate Considerations:** Managing the overall bond program tax burden on the community, particularly in the earlier years.

*Measure Y is expected to be issued in four series of approximately \$180 to \$185 million per series.

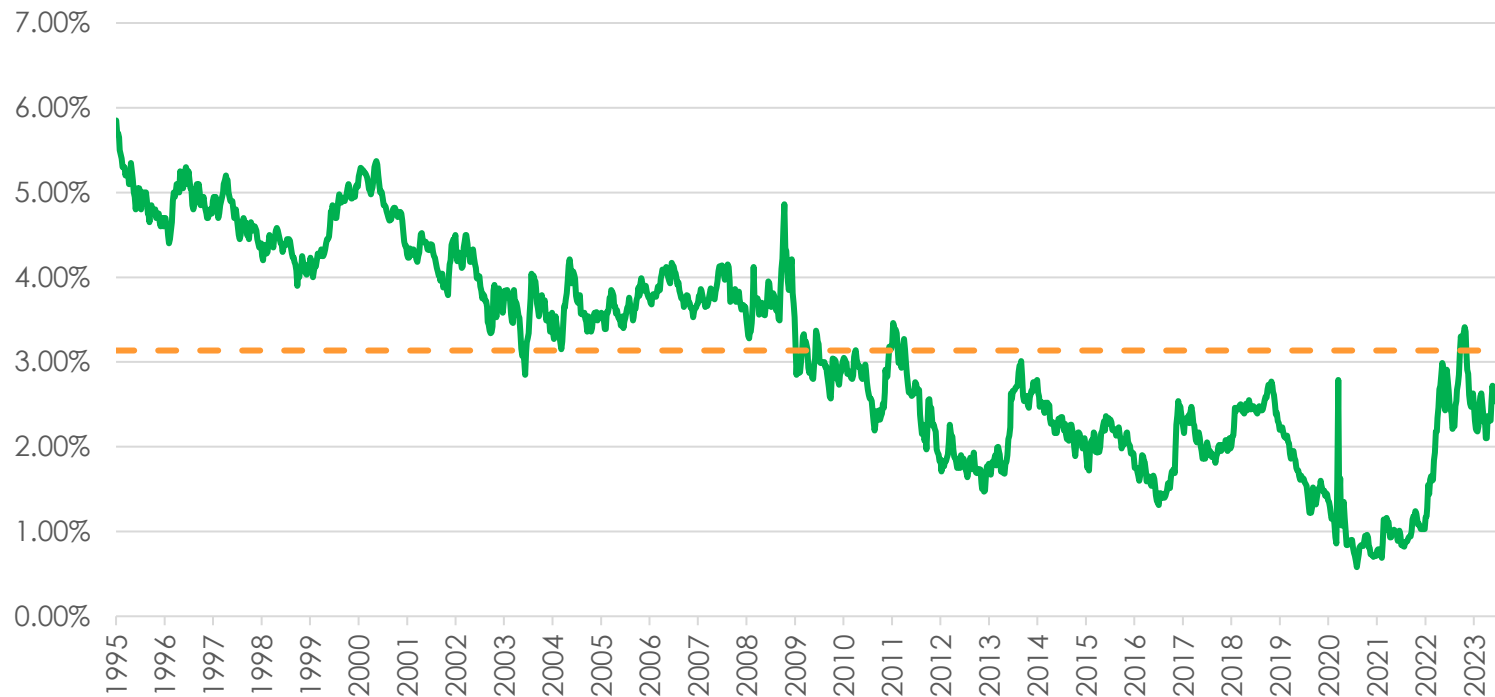
Bond Interest Rates

Municipal rates continue to be below historical averages

Oakland Unified School District

- ❖ Municipal borrowing rates are higher than they were at the time of the Series 2021 bond issuance, but still below historical averages.

History of Municipal Market Data (MMD) Rates (10-Year)



Source: Refinitiv (tm3)

Issuance Schedule

The current financing schedule targets a fall issuance

Oakland Unified School District

❖ The current financing schedule is below:

Activity	Date
District Board Approval	September 13 th
Meeting with Rating Agencies	Week of October 2 nd
Receive Ratings	October 13 th
County Board Approval	October 17 th
Post Preliminary Official Statement	October 18 th
Pricing	October 25 th
Closing	November 8 th

Bond Documents and Legal Requirements

- ❖ **Resolution Authorizing the Sale of the Series 2023 Bonds** – Board authorizes the issuance of Series 2023 bonds and sets a number of parameters:
 - Not-to-Exceed Par Amount: \$185 million
 - Maximum true interest cost: 8.0%
- ❖ The resolution will have several attachments that will be approved in form, including the following:
 - Preliminary Official Statement (POS)
 - Bond Purchase Agreement (BPA)
 - Continuing Disclosure Agreement

Questions?

Bond Review and Measure Y Budget

Board of Education
June 7, 2023

Facilities Planning & Management
Facilities Committee
May 18, 2023



**OAKLAND UNIFIED
SCHOOL DISTRICT**

Community Schools, Thriving Students

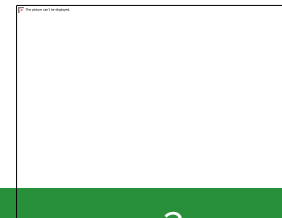
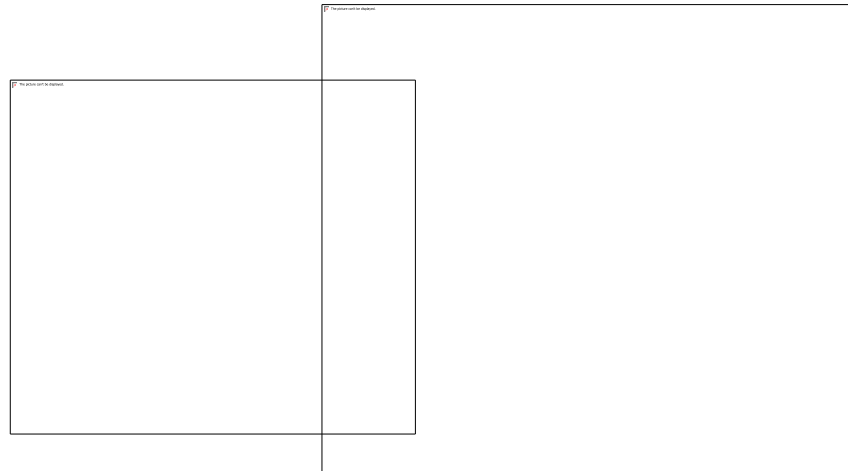


Our Vision

All OUSD students will find joy in their academic experience while graduating with the skills to ensure they are caring, competent, fully-informed, critical thinkers who are prepared for college, career, and community success.

Our Mission

Oakland Unified School District (OUSD) will build a Full Service Community District focused on high academic achievement while serving the whole child, eliminating inequity, and providing each child with excellent teachers, every day.





Agenda

1. Overview & Background
2. Ask of the Governing Body
3. Spending Plan Timeline
4. Current Measure Y Spending Plan
5. Current Project Budget Shortfalls
6. Recommendations
7. Schedule for Next Bond Issuance
8. Next Steps
9. Questions & Answers

Overview

The Spending Plan cannot be revised without some revision to a major capital project.

Facilities Committee asks from March 16th and April 20th meetings:

- More detail in each case what is necessary within the dollar amount proposed.
- How much of the overall Bond contingency that can be used for this offset that is being requested?
- History of previous money spent per District with Bond Measures B and J.
- Provide more specifics about what Priorities 1,2,3 represent.
- What would happen if we keep budgets as-is vs. adding or decreasing.
- Show an actual recommendation not options.

Background

In June 2006, Oakland voters passed **Measure B**, a **\$435 million School Facilities Improvement Bond** which provided funding to the Oakland Unified School District (OUSD). Except for some remaining fire alarm projects, all Measure B funds have largely been spent prior to fiscal year 2019-2020.

May 2012 Masterplan stated \$1.5B in Facilities Needs (File #12-1043)

In June 2012, Oakland voters passed **Measure J**, a **\$475 million School Facilities Improvement Bond**, for OUSD to enhance the educational environment for the students and communities of Oakland and better prepare students for college and jobs. Bond funds have been allocated to upgrade science labs, classrooms, computers, and technology; improve student safety and security; repair bathrooms, electrical systems, plumbing and sewer lines; improve energy efficiency; and make seismic upgrades. Majority of Measure J Funds have been spent.

In May 2020, Masterplan stated **\$3.4B in Facilities Needs. (File #19-2517)**

In November 2020, Oakland voters passed **Measure Y**, a **\$735 million School Facilities Improvement Bond**, for OUSD to provide, among other things, classroom repair and school safety improvements, upgrading classrooms, science labs and technology; improving student safety and security; repairing bathrooms, electrical systems, plumbing and sewers; and improving energy-efficiency and earthquake safety.

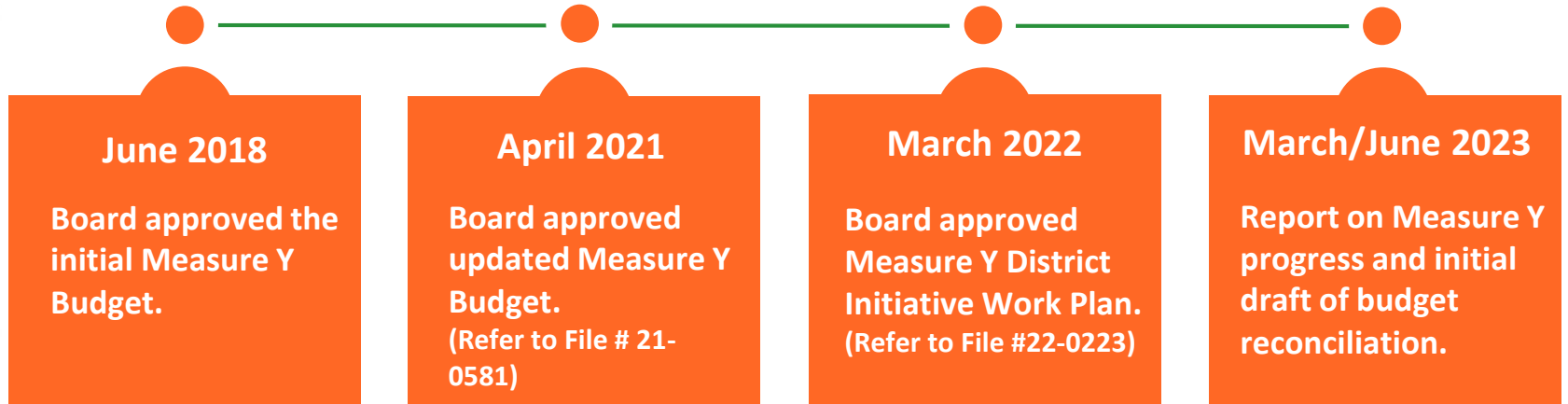
In May 2023, OUSD has experienced **28% increase in costs related to the bond projects due to market conditions**. The Master Plan stated need for the district is now **approximately \$4.4B in district need**.

Ask of the Governing Body

1. Bring to the Facilities Committee 3-16-23 Discussion
2. Present to Citizens Bond Oversight Committee (CBOC) 4-10-23
3. Bring back to Facilities Committee for Input 4-20-23
4. Bring to Facilities Committee for Approval of Recommendation 5-18-23
4. Bring to BOE for final vote June 2023
 - **Budget adjustments vs. scope reductions**
 - **Review, comment and approve revised Spending Plan**

Spending Plan Timeline

MEASURE Y TIMELINE



Current Measure Y Spending Plan

CAPITAL EXPENDITURES BY DISTRICT TO DATE

OUSD Facilities Department – Site Allocation By District (Spent to Date as of March 31, 2023)

	Measure B	Measure J	Measure Y	Fund 25	Fund 35	Total by District
District 1	\$35,394,860	\$14,226,165	\$6,808,207	\$86,196	\$11,169,956	\$67,685,384
District 2	\$125,120,431	\$8,333,513	\$1,287,987	\$227,803	\$606,998	\$135,576,733
District 3	\$68,932,684	\$55,365,291	\$13,195,511	\$1,650,161	\$36,961,498	\$176,105,146
District 4	\$33,799,032	\$41,774,960	\$3,499,845	\$10,169,838	\$10,252,707	\$99,496,382
District 5	\$33,180,175	\$102,774,033	\$260,726	\$12,386,798	\$1,157,068	\$149,758,800
District 6	\$21,602,173	\$52,530,553	\$270,116	\$90,410	\$14,556,232	\$89,049,484
District 7	\$51,608,756	\$8,628,209	\$4,492,066	\$15,866,166	\$11,540,100	\$92,135,297
District-Wide Projects						
	\$62,894,837	\$160,127,377	\$12,169,541	\$24,597,203	\$31,559,441	\$291,348,399
	\$432,532,949	\$443,760,102	\$41,984,000	\$65,074,575	\$117,804,000	\$1,101,155,626

Notes:

1. Fund 25 - Developer fees.
2. Fund 35 - State School Facilities Fund.
3. Measure B: June 2006 - \$435M. School Facilities improvement Bond.
4. Measure J: June 2012 - \$475M. School Facilities improvement Bond.
5. Measure Y: November 2020 - \$735M. School Facilities Improvement Bond.

Current Measure Y Spending Plan

KEY OBSERVATIONS OF MEASURE Y

- Current average age of facilities is **75 years, and lack of investment** in infrastructure and building systems has led to increased cost to bring up to date.
- Current market conditions have significantly **increased construction** costs.
- **Major capital projects are being impacted** and we are having to consider scope reductions to comply with the current budgets.
- **Initiatives should be District Wide** to accommodate urgent needs that arise during the bond program.
- **Solar Projects** are becoming more **difficult to generate the return on investment for the energy efficiency**, due to additional costs such as aging electrical switchgears and site logistics.
- Projected project budget **short falls** are only for **projects in design**, future project budget needs unknown.

Current Measure Y Spending Plan

CURRENT PROJECT BUDGET PROJECTIONS

- Construction Costs (labor and materials) have gone up **28% in the last two years**, and are projected to continue to escalate 8-10% per year, as compared to 3% traditionally.
- Base scopes are based on: Improved Seismic Safety, Accessibility Improvements, Heating and Ventilation upgrades, Electrical upgrades, Communications upgrades, Envelope Weatherproofing and Program Improvements (Class Size Enlargement).
- Projections are only for projects which are actively in Design or Construction: Claremont, Laurel CDC, Cole Administration Center, Roosevelt, McClymonds, Coliseum College Prep Academy and Melrose Leadership Academy.
- No Projections are made for future projects, but it is assumed that they will also be unable to deliver base scopes.

Current Measure Y Spending Plan

	June 2020 Approved Spending Plan	Current - April 2021 Approved Spending Plan
Site Specific Modernizations and New Construction		
Coliseum College Preparatory Academy - Site Expansion	\$35,500,000	\$35,500,000
Claremont MS - Multi Purpose Annex	\$18,000,000	\$18,000,000
Elmhurst United MS - Site Modernization	\$10,000,000	\$10,000,000
Garfield ES - Site Renovation/Replacement	\$56,700,000	\$56,700,000
Hillcrest ES - New Kitchen	\$1,700,000	\$1,700,000
Laurel Child Dev. Center - Site Renovations/Replacement	\$ 11,500,000	\$15,000,000
Marcus Foster ELC - Site Specific Projects	\$15,000,000	\$15,000,000
McClymonds HS - Site Renovation/Replacement	\$65,000,000	\$65,000,000
Melrose Leadership Academy/Maxwell Park ES - Site Expansion	\$49,500,000	\$49,500,000
Roosevelt MS - Site Renovation/Replacement	\$70,600,000	\$70,600,000
Piedmont ES - New Kitchen	\$2,000,000	\$2,000,000
Skyline HS - Various Site-Specific Projects	\$10,000,000	\$10,000,000
Subtotal	\$345,500,000	\$349,000,000
District-Wide Capital Projects		
Administration and Governance Center	\$50,000,000	\$50,000,000
Access and Quality Improvements	\$10,000,000	\$10,000,000
District-Wide Initiatives	\$200,000,000	\$200,000,000
Subtotal	\$260,000,000	\$ 260,000,000
Bond Program Contingency	\$73,500,000	\$70,000,000
Bond Program Coordination	\$56,000,000	\$56,000,000
TOTAL	\$735,000,000	\$735,000,000

Current Measure Y Projected Project Shortfall

- Revised budgets focus on meeting safety, building system upgrades and upgrades to meet current Classroom Standards.
- Project scopes have been focused on work in classroom areas, consistent with Board direction on bond expenditures.
- Project prioritization is based on projects, which were on previous bonds, but de-funded, and in areas of the district in the highest socio-economic needs.
- Scope prioritization will allow for most work in focused areas and additional phases as required on remaining buildings.

Priority 1: Life Safety and Accessibility

Priority 2: Building Systems and Classroom Enlargement

Priority 3: Modernizations to non-classroom areas or buildings, site, etc.

Large Site Project Considerations

School Name (Historical Campus)	Unduplicated Pupil	Type of Project	Seismic Needs	Facility Condition Grade Span Grading	Facilities Condition Index	Quartile	School Aged Students in Boundary	Enrollment Demand
Garfield ES	98.2%	Modernization	High	1st - Elementary	0.82	4	650	43%
Melrose Leadership Academy (Maxwell Campus)	55.8%	Modernization	Medium	2nd- Elementary (K-8)	.81	4	N/A	156%
Melrose Leadership Academy (Sherman Campus)	55.8%	Modernization	Low	30th- Elementary (K-8)	.32	2	N/A	156%
McClymonds HS	92.5%	Modernization	High	1st- High School	.73	4	838	31%
Roosevelt MS	96.5%	Modernization	High	1st- Middle School	.66	4	795	69%
Coliseum College Prep Academy (Havenscourt)	97.4%	Expansion	High	2nd- High School (6-12)	.59	4	1,105	155%

Current Measure Y Projected Project Shortfall

- The construction industry has experienced a **28% increase in cost**, which was not predictable and is having a significant impact on all current projects.
- The net change in cost from the original Measure Y plan to this proposed projection is due to the costs for existing site issues and needs not being included in the original cost projection/scope.
- To meet the District Educational Plan and Designs Standards that have been developed since the Fremont project, the following cost increases, which includes an increase in the projected cost of construction is listed below.

Active Projects - Current Anticipated Project Needs

	From	To	Total Requests	Comments
Coliseum College Preparatory Academy: Site Expansion	\$35,500,000	\$55,000,000	\$19,500,000	To Meet District Educational Plan & Design Standards
McClymonds HS: Site Renovation or Replacement	\$65,000,000	\$91,250,000	\$26,250,000	To Meet District Educational Plan & Design Standards
Roosevelt MS: Site Renovation or Replacement	\$70,600,000	\$90,550,000	\$19,950,000	To Provide All Building Systems Scopes Based on Design
			\$65,700,000	

Demographics and Enrollment: COLISEUM COLLEGE PREP ACADEMY



Notes:

1. Map shows attendance area for CCPA/Greenleaf/Life.
2. Lists only the top three feeder schools from SY 2021-22 to SY 2022-23.

District: 6

Feeder Schools: Lockwood STEAM Academy, Bridges Academy, Highland Community

Current, SY 2022-23:

- Demand Rate = 155%
- Live in the Neighborhood: 1,105 students
- Enrollment: 700 students
 - Increased over the past five years
 - 75% Students live in the neighborhood
 - 21% Students live outside the neighborhood
 - 4% Students live outside Oakland/Other

Projected Enrollment, SY 2023-24: 778 students

Current Measure Y Spending Plan

PROJECT PLANNING INFORMATION: COLISEUM COLLEGE PREP ACADEMY MAY 2023

The expansion of CCPA consists of hazardous material abatement, seismic improvements, roof replacement, life safety, electrical upgrades, educational adequacy, minor Auditorium improvements, site enhancements, interim housing and miscellaneous interior & exterior improvements

Planning Data

Facilities Conditions Ranking: **88** (1=best condition)
 Seismic Needs: **High**
 Anticipated Future Design: **954 Students**
 Capital Investments to Date: **\$22.85 M**
 Measures B, J, & Y, Funds 25, & 35 - expenditures to date as of **3/30/2023**

Project Team

Architect:	Shaw Kawasaki
General Contractor:	TBD
Project Manager:	Wil Newby
Project Engineer:	Samuel Smith

Approved Budget: **\$35.5M**
 Proposed Budget: **\$55M**

Proposed Project Scope

Priority 1 - Life Safety and Accessibility

- Hazardous Material Abatement
- Structural Seismic Improvements
- Life Safety – fire sprinkler modifications

Priority 2 - Building Systems and Classroom Enlargements

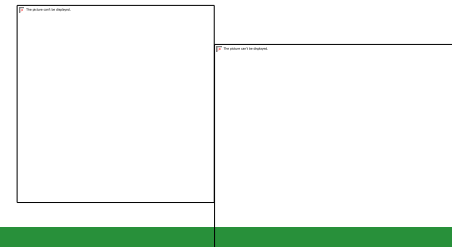
- Ceiling upgrades – classrooms and offices
- HVAC Improvements – Auditorium
- Additional Electrical Upgrades – corridors, etc.
- Life Safety – fire alarm voice evacuation
- Building Exterior – paint exterior, reseal windows and doors, etc.
- Right-Sizing Classrooms
- Roof Replacement
- HVAC Upgrades not inclusive of the Auditorium
- Electrical Upgrades
- PA / Speaker Communications
- Auditorium – replace stage curtains, lighting, and rigging only

Priority 3 - Modernizations to non-classroom areas or buildings

- Site Improvements
- Interim Housing

Recommendations

1. **Fund the projects proposed budget via amended Measure Y spending plan.**
2. **Advance the project consistent with the proposed scope and budget.**



Demographics and Enrollment: **GARFIELD ES**



District: 2

Feeder Schools: Lockwood STEAM Academy,
Markham ES

Current, SY 2022-23:

- Demand Rate = 35%
- Live in the Neighborhood: 650 students
- Enrollment: 498 students
 - Declined over the past five years
 - 50% Students live in the neighborhood
 - 48% Students live outside the neighborhood
 - 2% Students live outside Oakland/Other

Projected Enrollment, SY 2023-24: 472 students

Note: Lists only the top two feeder schools from SY 2021-22 to SY 2022-23.

Current Measure Y Spending Plan

PROJECT PLANNING INFORMATION: GARFIELD ES APRIL 2023

Focus on the seismic, safety, and accessibility needs of Garfield with an emphasis on preparing the building for a future major project.

Planning Data

Facilities Conditions Rating: 103 (1=best condition)
Seismic Needs: High
Anticipated Future Design: TBD
Capital Investments to Date: \$325k
Measures B, J, & Y, Funds 25, & 35 - expenditures to date as of 3/30/2023

Project Team

Architect:	TBD
General Contractor:	TBD
Project Manager:	John Esposito
Project Engineer:	TBD

Approved Budget: \$56.7M
Proposed Budget: \$56.7M

Proposed Project Scope

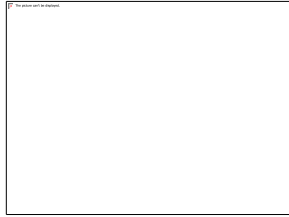
- Priority 1 - Life Safety and Accessibility**
- Seismic & Accessibility Upgrades
 - Fire Life Safety
 - Building Systems
 - Campus Safety
 - Related improvements from these scope impacts to the facility

Additional project scope to be defined through a planning effort within the remaining allocated budget, after Priority 1.

- Fund planning for a future project in a future bond.

Recommendations

1. **Fund the projects proposed budget via proposed amended Measure Y spending plan.**
2. **Advance the project consistent with proposed scope and budget**



Demographics and Enrollment: **McCLYMONDS** **HS**



District: 3

Feeder Schools: West Oakland MS, Westlake MS

Current, SY 2022-23:

- Demand Rate = 31%
- Live in the Neighborhood: 838 students
- Enrollment: 281 students
 - Declined over the past five years
 - 47% Students live in the neighborhood
 - 41% Students live outside the neighborhood
 - 12% Students live outside Oakland/Other

Projected Enrollment, SY 2023-24: 259 students

Note: Lists only the top three feeder schools from SY 2021-22 to SY 2022-23.

Current Measure Y Spending Plan

PROJECT PLANNING INFORMATION: **McCLYMONDS HS** MAY 2023

The proposed modernization of McClymonds HS consists of environmental remediation – hazardous material, vapor mitigation, complete plumbing replacement, HVAC and electrical upgrades, improved campus layout, learning and support space improvements, athletic and site improvements.

Planning Data

Facilities Conditions Ranking: 100 (1= best condition)
Seismic Needs: High
Anticipated Future Design: 650 Students
Capital Investments to Date: \$9M
Measures B, J, & Y, Funds 25, & 35 - expenditures to date as of 3/30/2023

Project Team

Architect:	Perkins Eastman
General Contractor:	HKIT Architects / Alten Construction
Project Manager:	Nicole Wells
Project Engineer:	Christina Stone

Approved Budget: \$65M
Proposed Budget: \$91.25M

Proposed Project Scope

Campus Modernization

Priority 1 - Life Safety and Accessibility

- Hazardous Material Abatement
- Complete Plumbing Replacement
- HVAC & Electrical upgrades
- Vapor mitigation solution

Priority 2 - Building Systems and Classroom Enlargement

- Improved campus layout
- Updated classrooms
- Updated pathway labs

Priority 3 - Modernizations to non-classroom areas or buildings

- Replace football bleachers
- New football field scoreboard
- Refresh and add lighting to outdoor basketball courts
- Refresh and add lighting to outdoor tennis courts
- Update plaza of peace
- Update site boundary fencing and site entry systems
- Updated auditorium
- Updated Cafeteria
- Updated gym locker rooms, weight, room dance classrooms, basketball bleachers, coaches offices

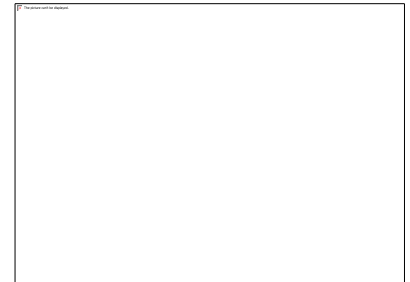
Proposed Project Scope Cont...

Priority 3

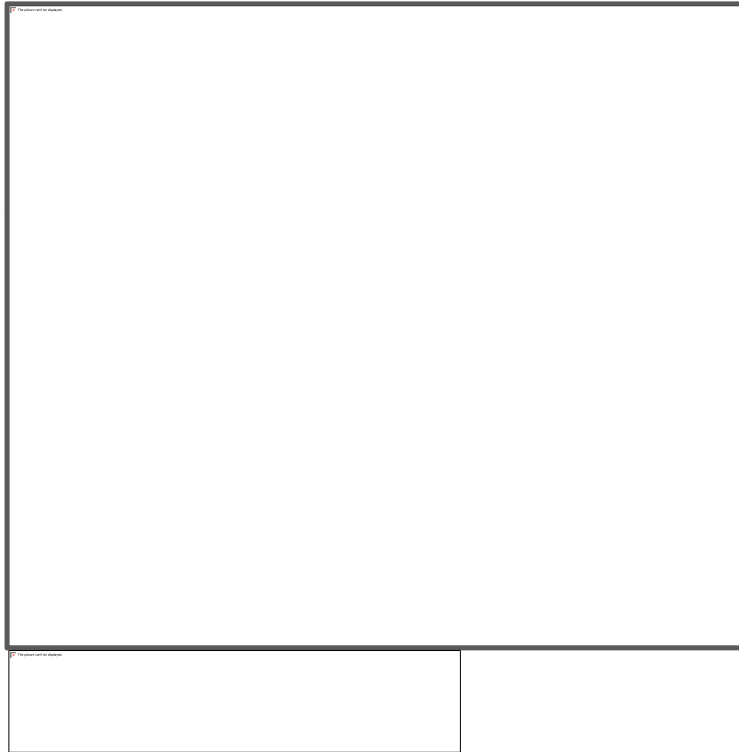
- Demolish annex building
- Relocate parking to previously occupied space.
- Redesign center of campus, landscape, green space.

Recommendations

1. **Fund the projects proposed budget via proposed amended Measure Y spending plan.**
2. **Advance the project consistent with proposed scope and budget.**



Demographics and Enrollment: MELROSE LEADERSHIP ACADEMY / MAXWELL PARK ES



District: 6

Feeder Schools: None, District Wide Boundary Based on Unique Program

Current, SY 2022-23:

- Demand Rate = 156%
- Enrollment: 656 students
 - Increased over the past five years

Projected Enrollment, SY 2023-24: 722 students

Current Measure Y Spending Plan

PROJECT PLANNING INFORMATION: MELROSE LEADERSHIP ACADEMY / MAXWELL PARK ES MAY 2023

The modernization of Melrose Leadership Academy / Maxwell Park ES consists of seismic and accessibility upgrades, HVAC and electrical upgrades, portable replacements, educational adequacy improvements, along with evaluating dedicated TK-K and Middle School Spaces.

Planning Data

Facilities Conditions Ranking:

Maxwell Park ES - **102** (1= best condition)

Sherman ES - **34** (1= best condition)

Seismic Needs: **Medium**

Anticipated Future Design: **725 Students**

Capital Investments to Date: **\$1.4M**

Measures B, J, & Y, Funds 25, & 35 -
expenditures to date as of 3/30/2023

Project Team

Architect:	HKIT Architects
General Contractor:	TBD
Project Manager:	Victor Manansala
Project Engineer:	Imani Nycosi

Approved Budget: **\$49.5M**

Proposed Budget: **\$36.5M**

Proposed Project Scope

Priority 1 - Life Safety and Accessibility

- Seismic & Accessibility Upgrades
- Fire Life Safety
- Building Systems
- Campus Safety

Priority 2 - Building Systems and Classroom Enlargement

Scenario Options, individual not compounding

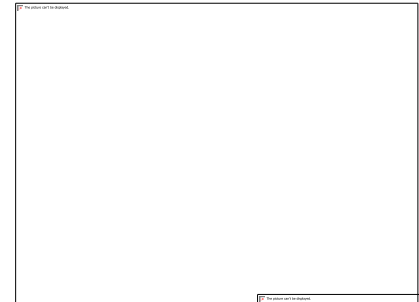
- Right size classrooms
- Sustainability improvements
- Improve building systems (electrical, mechanical, plumbing)

Priority 3 - Modernizations to non-classroom areas or buildings

- Exterior Space / Play Yards
- Evaluating Dedicated Middle School Spaces
- Gymnasium

Recommendations

1. ***Fund the projects proposed budget via amended Measure Y spending plan.***
2. ***Advance the project scope consistent with the proposed scope and budget.***



Demographics and Enrollment: ROOSEVELT MS



District: 2

Feeder Schools: Garfield ES, Franklin ES, Bella Vista ES

Current, SY 2022-23:

- Demand Rate = 69%
- Live in the Neighborhood: 795 students
- Enrollment: 593 students
 - Increased over the past five years
 - 55% Students live in the neighborhood
 - 39% Students live outside the neighborhood
 - 6% Students live outside Oakland/Other

Projected Enrollment, SY 2023-24: 589 students

Note: Lists only the top three feeder schools from SY 2021-22 to SY 2022-23.

Current Measure Y Spending Plan

PROJECT PLANNING INFORMATION: ROOSEVELT MS APRIL 2023

Modernize the existing Roosevelt Middle School with focus on environmental remediation, site improvements, seismic improvements, right-sizing of classroom, mechanical and electrical improvements, etc.

Planning Data

Facilities Conditions Rating: 94 (1=best condition)

Seismic Needs: High

Anticipated Future Design: 600 Students

Capital Investments to Date: \$3.4M

Measures B, J, & Y, Funds 25, & 35 - expenditures to date as of 3/30/2023

Project Team

Architect:	HKIT Architects
General Contractor:	TBD
Project Manager:	Mary Ledezma
Project Engineer:	Imelda Meza

Approved Budget: \$70.6M

Proposed Budget: \$90.55M

Proposed Project Scope

Building A - Priority 1

- Structural Seismic Improvements
- Fire Sprinkler, Fire & Intrusion upgrades
- Hazardous Material Abatement
- Renovate Main Entry to optimize security

Building A - Priority 2

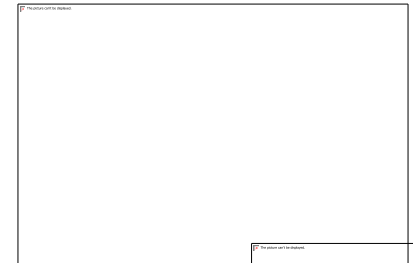
- Flooring finishes – classrooms
- Interim Housing (Portables)
- Science Modular Building for 6th graders
- Lighting upgrades - classrooms
- Paint interior spaces
- Stairway upgrades
- Clock / Speaker Upgrades
- HVAC Upgrades (except Auditorium)
- Electrical Upgrades
- Right-Sizing Classrooms
- Roof Replacement & New Downspouts

Priority 3 - Modernizations to non-classroom areas or building

- Garden & Bioretention improvements

Recommendations

1. **Fund the projects proposed budget via proposed amended Measure Y spending plan.**
2. **Advance the project consistent with proposed scope and budget**



Current Measure Y Spending Plan

PROJECT PLANNING SOURCES AND NOTES

1. Current Enrollment Source: California Longitudinal Pupil Achievement Data System (CALPADS), Census Day (the first Wednesday in October).
2. Anticipated Future Design Enrollment are an approximation and subject to change.
3. Fund the projects proposed budget via amended Measure Y spending plan.
4. Advance the project consistent with the proposed scope and budget.
5. Only the top three feeder schools from SY 2021-22 to SY 2022-23 are listed for CCPA, McClymonds HS, and Garfield ES. Melrose Leadership Academy / Maxwell Park ES has a district wide boundary and is based on Unique Program.

Recommendation

The recommendation of the Facilities Department is to reallocate funding for the following projects:

- Accessibility and quality,
- Defer Hillcrest ES / Piedmont until the next bond measure,
- Reduce Melrose Leadership Academy scope to address Maxwell Campus only.
- Reduce Nutritional Services District-Wide Investment (\$10M), District-wide initiatives projects (\$9M), and Project Contingency from District-wide Initiatives (\$20M) - \$39M Total

These funds will support scope needs at:

- Coliseum College Prep. Academy,
- McClymonds HS, and
- Roosevelt MS.

	Description	Recommended Budget Adjustment
A	Re-allocate Accessibility & Quality budget to Unfunded Projects	(\$10,000,000)
B	Include Hillcrest ES and Piedmont ES into Nutrition Services Districtwide Cafeteria and Kitchen Improvements	(\$3,700,000)
C	Reduce MLA Budget to Priority 1 at Maxwell Campus Only	(\$13,000,000)
D	District Wide Initiatives with Contingency	(\$39,000,000)
SUBTOTAL		(\$65,700,000)
E	Increase Budgets: CCPA: \$19,500,000 McClymonds HS: \$26,250,000 Roosevelt MS: \$19,950,000	\$65,700,000
TOTAL		\$0

Recommendation - District-wide Initiatives

The recommendation of the Facilities Department is to reallocate funding for the following projects:

Name	April 2021 Approved	Recommended Adjustment	
Facilities and Technology Improvements	\$132,697,920	(\$19,506,920)	\$113,191,000
Health, Safety, and Security Improvements	\$43,297,080	(\$7,903,080)	\$35,394,000
Energy Efficiency, Resiliency, and Sustainability Improvements	\$17,005,000	(\$4,590,000)	\$12,415,000
Improved Utilization - Unused or Underused Assets	\$7,000,000	(\$7,000,000)	\$0
TOTAL Withdrawn from District-wide Initiatives to fund CCPA, McClymonds, & Roosevelt	\$200,000,000	(\$39,000,000)	\$161,000,000

Recommendation - District-wide Initiatives

The recommendation of the Facilities Department is to reallocate funding for the following projects:

Name	Description	April 2021 Approved	Recommended Adjustment
Facilities and Technology Improvements			
Portable Removal and Replacements	Funding to support the design, DSA approval, removal, installation, and construction of new school site portables	\$3,000,000	(\$1,300,000)
Grounds	Shade structures at named elementary school site in support of outdoor learning and recreational activities at Joaquin Miller	\$200,000	(\$200,000)
Board Directed Initiative Allowance	This is an allowance to address any OUSD Board directed initiatives / projects	\$7,000,000	(\$3,125,000)
Contingency	Contingency	\$14,881,920	(\$14,881,920)
TOTAL Withdrawn from District-wide Initiatives to fund CCPA, McClymonds, & Roosevelt			\$19,506,920

Recommendation - District-wide Initiatives

The recommendation of the Facilities Department is to reallocate funding for the following projects:

Name	Description	April 2021 Approved	Recommended Adjustment
Health, Safety, and Security Improvements			
Nutritional Services	Provide additional dry, refrigeration, and freezer storage facilities.	\$20,500,000	(\$10,000,000)
Middle School Exterior & Interior Security Enhancements	Funding to provide additional perimeter and interior controls inclusive of but not limited to CCTV cameras, door entry controls (i.e. aiphones), and other measures to properly secure the Middle School sites	\$2,631,000	\$1,000,000
High School Exterior & Interior Security Enhancements	Funding to provide additional perimeter and interior controls inclusive of but not limited to CCTV cameras, door entry controls (i.e. aiphones), and other measures to properly secure the High School sites	\$2,100,000	\$750,000
Playground & Playsurface Replacement	Updating outdated play structures and play surfaces per Master Plan	\$0	\$2,000,000
Fire / Intrusion Alarm Replacements	Updating Fire Alarm and Intrusion Alarm Systems to current district standards	\$0	\$3,000,000
Contingency	Contingency	\$4,654,080	(\$4,653,080)
TOTAL Withdrawn from District-wide Initiates to fund CCPA, McClymonds, & Roosevelt			\$7,903,080

Recommendation - District-wide Initiatives

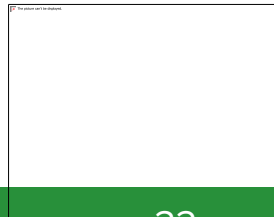
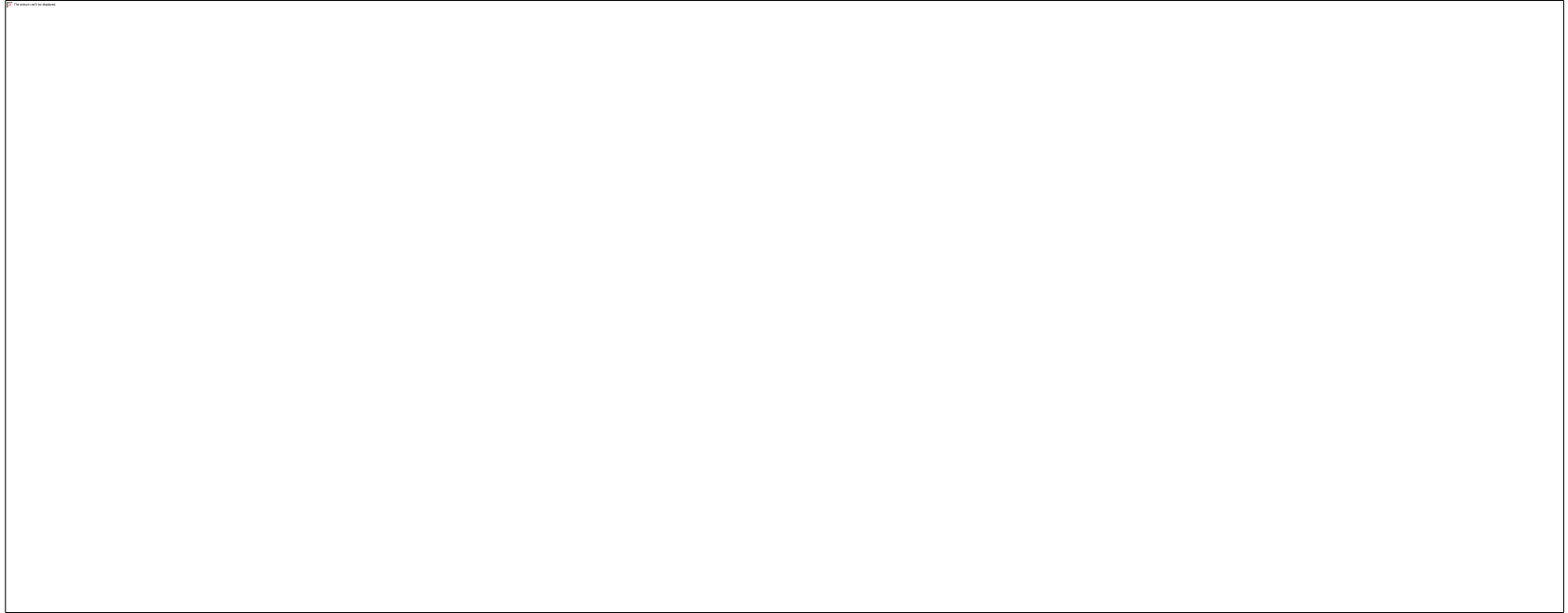
The recommendation of the Facilities Department is to reallocate funding for the following projects:

Name	Description	April 2021 Approved	Recommended Adjustment
Energy Efficiency, Resiliency, and Sustainability Improvements			
Solar PPA Project - funding for IOR and PM	Defund 3.5 MW of rooftop and canopy PV at Elmhurst MS, Kings Estate Campus, Prescott Campus, Reach Academy Campus, Redwood Heights ES	\$375,000	(\$375,000)
Solar PPA Project - funding for IOR and PM	Fund canopy PV at Horace Mann	\$0	\$75,000
Battery Storage	Oakland High - 400 kW battery storage (Tesla Megapack 2)	\$2,500,000	(\$800,000)
Battery Storage	Oakland Tech/Castlemont - 400 kW battery storage (Tesla Megapack 2)	\$2,500,000	(\$2,000,000)
Solar Readiness Retrofit	Fremont HS & The Center Solar Readiness Retrofit	\$500,000	(\$500,000)
Contingency	Contingency	\$990,000	(\$990,000)
TOTAL Withdrawn from District-wide Initiates to fund CCPA, McClymonds, & Roosevelt			\$4,590,000

Recommended Measure Y Spending Plan

Recommended	April 2021 Approved Budget	June 2023 Proposed Budget	Budget Change	COMMENTS
Site Specific Modernizations and New Construction				
Coliseum College Preparatory Academy - Site Expansion	\$35,500,000	\$55,000,000	\$19,500,000	Based on current enrollment projections and to meet standards and Ed. Specs. See Project Planning Information
Claremont MS - Multi Purpose Annex	\$18,000,000	\$18,000,000	\$ -	No Change
Elmhurst United MS - Site Modernization	\$10,000,000	\$10,000,000	\$ -	No Change
Garfield ES - Site Renovation or Replacement	\$56,700,000	\$56,700,000	\$ -	No Budget Update- Design Not Started
Hillcrest ES - New Kitchen	\$1,700,000	\$0	(\$1,700,000)	Covered in School Kitchen and Cafeteria Improvements.
Laurel Child Dev. Center - Site Renovations or Replacement	\$15,000,000	\$15,000,000	\$ -	No Change
Marcus Foster ELC - Site Specific Projects	\$15,000,000	\$15,000,000	\$ -	No Change
McClymonds HS - Site Renovation or Replacement	\$65,000,000	\$91,250,000	\$26,250,000	Based on current enrollment projections and to meet standards and Ed. Specs. See Project Planning Information
Melrose Leadership Academy/Maxwell Park ES - Site Expansion	\$49,500,000	\$36,500,000	(\$13,000,000)	Reduce scope to Maxwell campus only based on site assessment. Based on current enrollment projections and to meet standards and Ed. Specs. See Project Planning Information
Roosevelt MS - Site Renovation	\$70,600,000	\$90,550,000	\$19,950,000	Based on current enrollment projections and to meet standards and Ed. Specs. See Project Planning Information
Piedmont ES - New Kitchen	\$2,000,000	\$0	(\$2,000,000)	Covered in School Kitchen and Cafeteria Improvements.
Skyline HS - Various Site-Specific Projects	\$10,000,000	\$10,000,000	\$ -	No Change
Subtotal	\$349,000,000	\$398,000,000	\$49,000,000	
District-Wide Capital Projects				
Administration and Governance Center	\$50,000,000	\$50,000,000	\$ -	Central Administration Center at Cole
Access and Quality Improvements	\$10,000,000	\$0	(\$10,000,000)	
District-Wide Initiatives	\$200,000,000	\$161,000,000	(\$39,000,000)	Reduction of NS Warehouse needs, contingency, and district wide projects.
Subtotal	\$ 260,000,000	\$211,000,000	(\$49,000,000)	
Bond Program Contingency	\$70,000,000	\$70,000,000	\$ -	
Bond Program Coordination	\$56,000,000	\$56,000,000	\$ -	
TOTAL	\$735,000,000	\$735,000,000	\$0	

District-Wide Initiatives- Facilities and Technology



District-Wide Initiatives- Facilities and Technology

Pilot Project IAQ assessments, recommendations, and design	Laurel ES	Pilot project to assess, make recommendations, and develop implementable improvements for consideration throughout the District	\$500,000	\$0	\$500,000
Pilot Project IAQ assessments, recommendations, and design	Manzanita ES	Pilot project to assess, make recommendations, and develop implementable improvements for consideration throughout the District	\$500,000	\$0	\$500,000
Pilot Project IAQ assessments, recommendations, and design	West Oakland Middle School	Pilot project to assess, make recommendations, and develop implementable improvements for consideration throughout the District	\$500,000	\$0	\$500,000
ADA Ramp	Kaiser	Furnish and install an ADA ramp to address significant grade changes in support of a new academic program at Kaiser	\$2,600,000	\$0	\$2,600,000
Trust for Public Land Project	Bridges Academy	This is a collaborative project with Trust for Public Land in which the District is a recipient of grant funds for improvements at Bridges, funding being requested is to design and construct green school yard improvements.	\$100,000	\$0	\$100,000
Window Wall System Replacement	Lowell	Demolish and replace the existing window wall system at Lowell, which has failures and water infiltration into the building. Funding is to design and construct a new storefront window wall system with metal panels.	\$6,075,000	\$0	\$6,075,000
Tech Services - IT Improvements	All	Funding is to support the classroom learning experience - wifi, modernizing classrooms, cable degradation, refresh of network equipment, etc.	\$25,000,000	\$0	\$25,000,000
Board Directed Initiative Allowance	Multiple	This is an allowance to address any OUSD Board directed initiatives / projects	\$7,000,000	-\$3,125,000	\$3,875,000
Student Drop Off Enhancements	East Oakland Pride	Widen the driveway entrance and gate to ensure a safe multiple lane drop off	\$75,000	\$0	\$75,000
Relocate IT	TBD	Improvements at a site TBD to accommodate the IT Department	\$350,000	\$0	\$350,000
Deferred Maintenance Projects - not funded by the 5 yr Deferred Maintenance Budget				\$0	\$0
B&G Roofing & Plumbing - Repair and Replacement Projects	Multiple Sites	Due to a number of roofing leaks , utility - sewer line failures the department has established a pool project to address some deferred maintenance needs that didn't get approved via the B&G 5 Year Deferred Maintenance budget	\$11,600,000	\$0	\$11,600,000
B&G Asphalt Repair & Replacement Pool	Multiple Sites	Many school sites have failed asphalt that require ongoing maintenance, however budget cuts to B&G's 5 Year Deferred Maintenance Budget require an additional funding source.	\$7,300,000	\$0	\$7,300,000
Facilities & Technology Improvements Contingency			\$14,881,920	-\$14,881,920	\$0
			Subtotal	\$132,697,920	-\$19,506,920
					\$113,191,000

District-Wide Initiatives- Health, Safety and Security



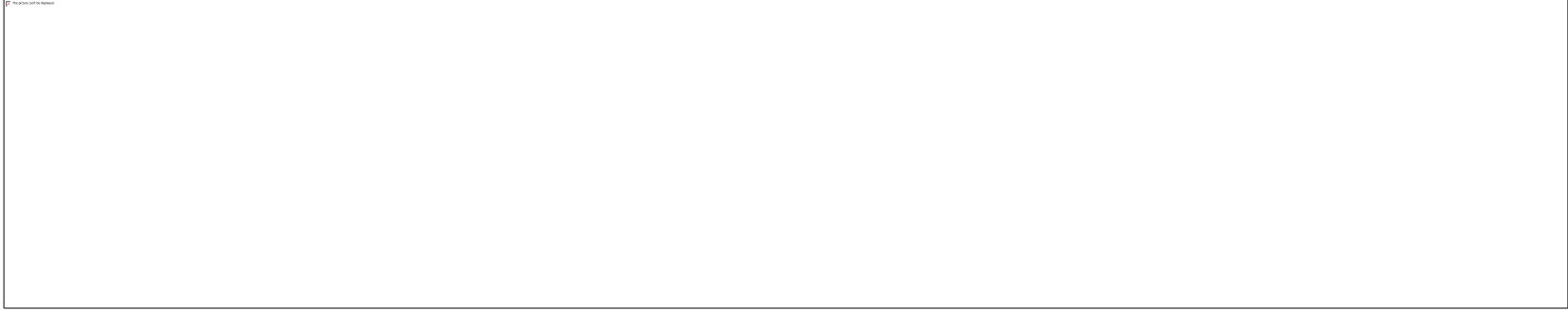
District-Wide Initiatives- Energy Efficiency, Resiliency, and Sustainability



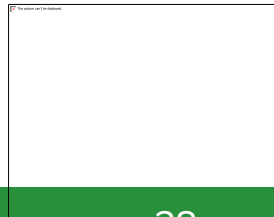
District-Wide Initiatives- Energy Efficiency, Resiliency, and Sustainability



District-Wide Initiatives- Energy Efficiency, Resiliency and Sustainability



District-Wide Initiatives- Improved Utilization



Schedule for Second Series B Bond Issuance

To support the District's desire to support resources available to encumber contracts by July 2023 (Q3)

Draft Bond Financing Schedule

- May: District Board Presentation / Possible 2x2 meetings
- June: District Board Approval of Resolution
- Week of July 17: Meeting with Rating Agency
- July 18: County Board of Supervisors Meeting
- July 28: Receive Rating
- August 8: Post Preliminary Official Statement
- August 16: Bond Pricing
- August 30: Bond Closing

Next Steps

Previous Engagements Steps 1 - 3

1. Bring to the Facilities Committee 3-16-23 Discussion
2. Present to CBOC 4-10-23 Discussion
3. Present to Facilities Committee for discussion, direction, & deliberation on 4-20-23
4. Bring back to Facilities Committee for Approval 5-18-23
5. Bring to BOE in May/ June to review, discuss, & approve
 - Budget adjustments vs. scope reductions
 - Review, comment and approve Program Wide Initiatives Budget

THANK YOU

Any Questions?

Additionally, for more information, please reach out:

Kenya Chatman
Executive Director
Kenya.chatman@ousd.org



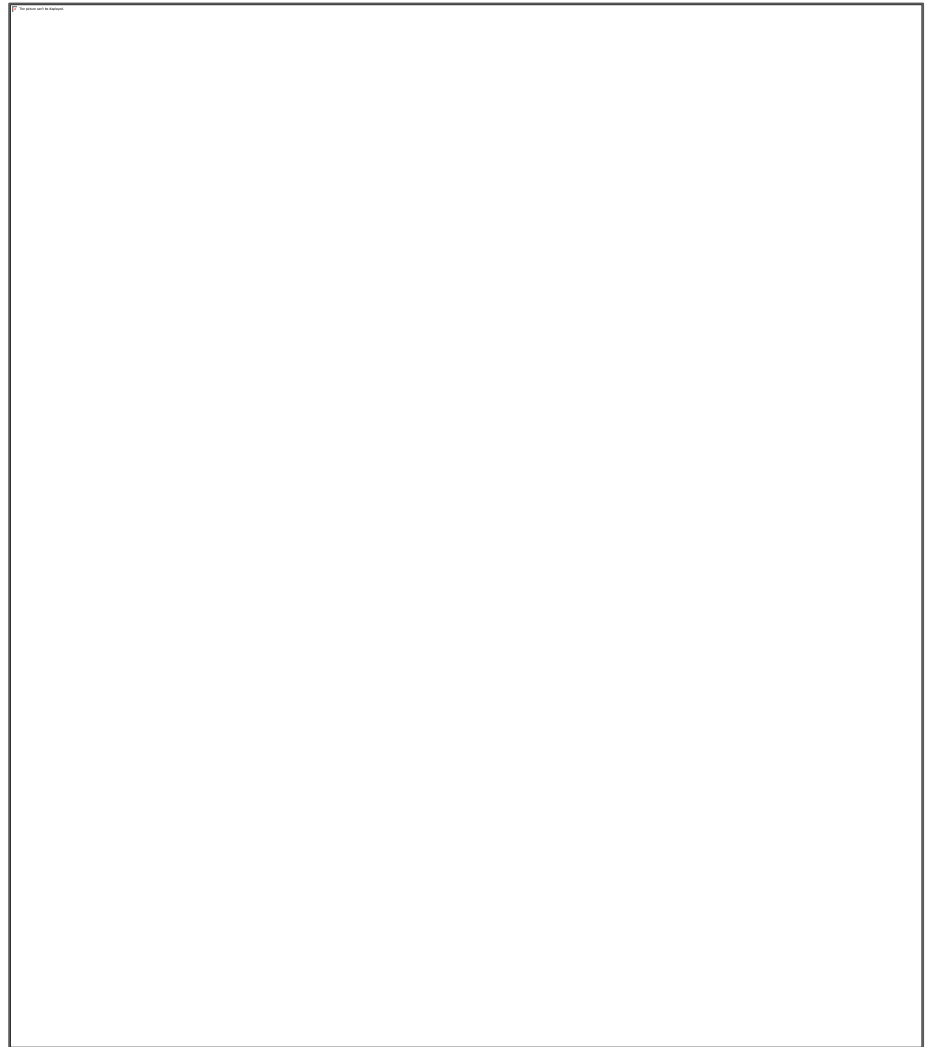
APPENDIX



OUSD Facilities Master Plan Projects

“A school-district’s Facilities Master Plan describes a set of building and renovation projects that a district will pursue to support its educational mission. A complete Facilities Master Plan will provide a road map for school district investment and enable a district to secure independent funding through a general obligation bond.”

[Facilities Master Plan](#)





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BOND PURCHASE AGREEMENT

**[\$2023A Par]
OAKLAND UNIFIED SCHOOL DISTRICT
(County of Alameda, California)
GENERAL OBLIGATION REFUNDING BONDS,
SERIES 2023A**

**[\$2023B Par]
OAKLAND UNIFIED SCHOOL DISTRICT
(County of Alameda, California)
GENERAL OBLIGATION REFUNDING BONDS,
SERIES 2023B (FEDERALLY TAXABLE)**

[Sale Date]

Board of Education
Oakland Unified School District
1011 Union Street
Oakland, California 94607

Ladies and Gentlemen:

The undersigned, Siebert Williams Shank & Co., LLC, as the underwriter (the “Underwriter”) hereby offers to enter into this Bond Purchase Agreement (the “Purchase Contract”) with the Oakland Unified School District (the “District”), acting through its Superintendent or another Authorized District Representative. The offer made hereby is subject to acceptance by the District by execution and delivery of this Purchase Contract to the Underwriter at or prior to 11:59 p.m., California time, on the date hereof, but it shall be subject to withdrawal by the Underwriter upon written notice delivered to the District at any time prior to the District’s acceptance of this Purchase Contract. Upon acceptance of this offer by the District in accordance with the terms hereof, this Purchase Contract will be binding upon the District and the Underwriter. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Paying Agent Agreement and District Resolution (as defined herein).

1. Purchase and Sale. Upon the terms and conditions and upon the representations, covenants and agreements hereinafter set forth, the Underwriter hereby agrees to purchase from the District, for reoffering to the public, and the District hereby agrees to sell to the Underwriter for such purpose, all (but not less than all) of the [\$2023A Par] aggregate principal amount of Oakland Unified School District General Obligation Refunding Bonds, Series 2023A (the “2023A Refunding Bonds” or the “Tax-Exempt Bonds”) and the [\$2023B Par] aggregate principal amount of Oakland Unified School District General Obligation Refunding Bonds, Series 2023B (Federally Taxable) (the “2023B Refunding Bonds” and, together with the 2023A Refunding Bonds, the “Refunding Bonds), at the purchase price of \$[Purchase Price], which has

been computed as the aggregate principal amount of the Refunding Bonds (\$[Par Amount].00), [plus/less] [net] original issuance [premium/discount] (\$[Premium/Discount]), and less Underwriter's discount (\$[UW Discount]). The Underwriter's discount does not exceed 0.24% of the aggregate principal amount of the Refunding Bonds. The present value of the debt service savings with respect to the Refunding Bonds (as defined in the Paying Agent Agreement) is at least 3.0% of the aggregate principal amount of the Prior Bonds.

[Concurrently with the issuance of the Refunding Bonds, the District will issue its \$[2023A-1 Par] General Obligation Refunding Bonds, Series 2023A-1 (the "Exchange Bonds") to refund outstanding bonds of the District tendered for exchange, as described in the Official Statement.]

The District acknowledges and agrees that (i) the purchase and sale of the Refunding Bonds pursuant to this Purchase Contract is an arm's-length commercial transaction between the District and the Underwriter, (ii) in connection therewith and with the discussion, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as a principal and not as an agent or a fiduciary of, or municipal advisor to, the District, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the District with respect to (a) the offering of the Refunding Bonds or the process leading thereto (whether or not the Underwriter has advised or is currently advising the District on other matters) or (b) any other obligation to the District except the obligations expressly set forth in this Purchase Contract and (iv) the District has consulted with its own legal, financial and other professional advisors to the extent it has deemed appropriate in connection with the offering of the Refunding Bonds. The District acknowledges that it has previously received from the Underwriter a letter regarding Municipal Securities Rulemaking Board ("MSRB") Rule G-17 Disclosures, and that it has provided the Underwriter acknowledgement of such letter.

[Payment of the principal of and interest on the Refunding Bonds shall be insured by [Bond Insurer] (the "Bond Insurer"), which shall issue its municipal bond insurance policy (the "Insurance Policy") guaranteeing such payment.]

2. The Refunding Bonds. The Refunding Bonds shall be issued pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code and other applicable law, in accordance with Resolution No. 2324-[____] of the Board of Education of the District, adopted on October 11, 2023, (the "District Resolution"), and pursuant to the terms of that certain Paying Agent Agreement, dated as of November 1, 2023 (the "Paying Agent Agreement"), to be entered into between the District and U.S. Bank Trust Company, National Association, as paying agent (the "Paying Agent") with respect to the Refunding Bonds. The Refunding Bonds shall conform in all respects to the terms and provisions set forth in the District Resolution, the Paying Agent Agreement and in Appendix A to this Purchase Contract.

The Refunding Bonds shall be dated the date of delivery, and shall mature on August 1 in each of the years, in the principal amounts, and pay interest at the rates shown in Appendix A. Interest on the Refunding Bonds shall be payable commencing on [February 1, 2024], and thereafter on August 1 and February 1 in each year until maturity.

[The Refunding Bonds shall be subject to optional and mandatory sinking fund redemption on the terms and at the times shown in Appendix A.]

The Refunding Bonds and Exchange Bonds shall be issued in full book-entry form and otherwise be as described in the preliminary Official Statement of the District with respect thereto, dated [POS Date] (the “Preliminary Official Statement”).

One fully registered certificate for each maturity of the Refunding Bonds will be prepared and delivered as described in Section 9 hereof, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), and will be made available to the Underwriter for inspection at such place as may be mutually agreed to by the Underwriter and the District, not less than one business day prior to the Closing Date, as defined in Section 9 hereof. The Underwriter shall order CUSIP identification numbers and the District shall cause such CUSIP identification numbers to be printed on the Refunding Bonds.

The District intends to use the proceeds from the sale of the 2023A Refunding Bonds to: (i) refund, redeem, defease or fund the purchase of all or portions accepted by the District for tender of the outstanding: (1) Oakland Unified School District General Obligation Bonds (Election of 2012), Series 2015A (the “2015A Bonds”); (2) Oakland Unified School District 2015 General Obligation Refunding Bonds (the “2015 Refunding Bonds”); (3) Oakland Unified School District General Obligation Bonds (Election of 2006), Series 2016A (the “2016A Bonds”); (4) Oakland Unified School District 2016 General Obligation Refunding Bonds (the “2016 Refunding Bonds”); (5) Oakland Unified School District General Obligation Refunding Bonds, (Measure B) 2017 Series B (the “2017B Refunding Bonds”); (6) Oakland Unified School District General Obligation Refunding Bonds, (Measure J) 2017 Series C (the “2017C Refunding Bonds”); (7) Oakland Unified School District General Obligation Crossover Refunding Bonds, (Measure B) 2017 Series D (Taxable) (the “2017D Refunding Bonds”); and (8) Oakland Unified School District General Obligation Bonds (Election of 2012), Series 2019A (the “2019A Bonds” and, together with the 2015A Bonds, the 2015 Refunding Bonds, the 2016A Bonds, the 2016 Refunding Bonds, the 2017B Refunding Bonds, the 2017C Refunding Bonds and the 2017D Refunding Bonds, the “Prior Bonds” and, such Prior Bonds to be tendered for purchase or exchange are referred to herein as the “Tendered Bonds”); and (ii) pay costs of issuance associated with the Refunding Bonds and the Exchange Bonds.

The District intends to use the proceeds from the sale of the 2023B Refunding Bonds to: (i) refund all or portions of the Prior Bonds (such Prior Bonds to be refunded are herein referred to as the “Refunded Bonds”); and (ii) pay costs of issuance associated with the Refunding Bonds.

The District intends to exchange the Exchange Bonds for the portion of the Tendered Bonds accepted by the District for exchange (the “Exchanged Bonds”) pursuant to the Invitation to Tender (defined below), as more particularly described in the Official Statement.

The District has offered to purchase or exchange the Tendered Bonds pursuant to an Invitation to Tender Bonds, dated [POS Date] (the “Invitation to Tender”), delivered to the holders of all of the outstanding Tendered Bonds.

In connection with the tender for the Tendered Bonds and the exchange of the Exchanged Bonds accepted by the District for exchange pursuant to the Invitation to Tender, the District has entered into a Dealer Manager Agreement, dated [October __], 2023 (the “Dealer Manager Agreement”), with Siebert Williams Shank & Co., LLC, as Dealer Manager (in such capacity, the “Dealer Manager”), pursuant to which the Dealer Manager has solicited tenders for purchase or exchange of certain of the Tendered Bonds, as more particularly set forth in the Dealer Manager Agreement.

3. Offering. The Underwriter hereby certifies that it has made a bona fide public offering of all the Refunding Bonds as of the date hereof at the prices or yields shown in the table attached to Appendix A hereto. On or prior to the Closing Date, the Underwriter shall provide the District with information regarding the prices or yields at which a representative portion (at least 10%) of each maturity of the Tax-Exempt Bonds were sold to the public, in such form as the District may reasonably request, for purposes of determining the yield on the Refunding Bonds. Subsequent to such initial public offering, the Underwriter reserves the right to change such initial public offering prices or yields as they deem necessary in connection with the marketing of the Refunding Bonds; provided that the Underwriter shall not change the interest rates on the Refunding Bonds set forth in Appendix A. The Refunding Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices.

The District hereby ratifies, approves and confirms the distribution and use of this Purchase Contract, the District Resolution, the Paying Agent Agreement, the Continuing Disclosure Certificate (as defined herein) and the Preliminary Official Statement of the District with respect to the Refunding Bonds on or before the date hereof, in connection with the public offering and sale of the Refunding Bonds by the Underwriter.

The Underwriter hereby represents that it has received and reviewed the Preliminary Official Statement, and hereby agrees that it will provide, consistent with the requirements of MSRB Rule G-32, for the delivery of a copy of the final Official Statement describing the Refunding Bonds, dated the date hereof (the “Official Statement”), to each customer who purchases any Refunding Bonds during the underwriting period (as such term is defined in MSRB Rule G-11), and to deliver a copy of the Official Statement to the MSRB on or before the Closing Date (as defined herein), and otherwise to comply with all applicable statutes and regulations in connection with the offering and sale of the Refunding Bonds, including, without limitation, MSRB Rule G-32 and 17 CFR Section 240.15c2-12, promulgated by the Securities and Exchange Commission (“Rule 15c2-12”).

Delivery of the Official Statement to the Underwriter shall be construed as a representation of the District that the District has reviewed and approved such Official Statement and authorizes the distribution thereof in electronic or paper form.

The Underwriter hereby agrees that prior to the time the Official Statement is available, the Underwriter will send to any potential purchaser of the Refunding Bonds, upon request, a copy of the most recent Preliminary Official Statement. Such Preliminary Official Statement shall be sent by first class mail (or other equally prompt means) including via email or a link to an electronic copy posted on a website, not later than the first business day following the date upon which each such request is received.

The District will deliver a copy of the Official Statement by electronic means to the Underwriter within seven business days from the date hereof, but no later than three business days prior to the Closing Date, signed by an Authorized District Representative, substantially in the form of the Preliminary Official Statement with such changes thereto as shall be approved by the Underwriter, which approval shall not be unreasonably withheld.

4. Representations, Warranties and Agreements of the District. The District represents, warrants and agrees that, as of the date hereof and as of the Closing Date:

(a) The District is a school district duly organized and validly existing under the Constitution and general laws of the State of California, with the power to authorize the issuance of the Refunding Bonds and the Exchange Bonds and to sell the Refunding Bonds pursuant to the laws of the State of California.

(b) The District is duly authorized and has full legal right, power and authority to issue, sell and deliver the Refunding Bonds and to issue and deliver the Exchange Bonds pursuant to the District Resolution, the Paying Agent Agreement, and the provisions of the laws of the State of California, and the Refunding Bonds, when issued, authenticated and delivered in accordance with the District Documents (as defined below) and sold to the Underwriter as provided herein, will be the legal, valid and binding obligation of the District enforceable in accordance with their terms.

(c) (i) The District has full legal right, power and authority to enter into this Purchase Contract, to adopt the District Resolution, to execute and deliver the Paying Agent Agreement, the Escrow Agreement, dated as of November 1, 2023 (the “Escrow Agreement”), by and between the District and U.S. Bank Trust Company, National Association as escrow agent (the Escrow Agent”), the Preliminary Official Statement, the Official Statement and the Continuing Disclosure Certificate, and to observe and perform the District’s covenants and agreements contained herein and therein and of the Paying Agent Agreement and the Continuing Disclosure Certificate to be observed and performed by the District; (ii) the execution and delivery or adoption of, and the performance by the District of the obligations contained in this Purchase Contract, the Paying Agent Agreement, the Preliminary Official Statement, the Official Statement and the Continuing Disclosure Certificate (collectively, the “District Documents”) have been duly authorized and such authorization shall be in full force and effect at the time of the Closing; (iii) each of the District Documents constitutes a valid and legally binding obligation of the District, enforceable against the District in accordance with its terms; and (iv) the District has duly authorized the consummation by it of all transactions contemplated by the District Documents.

(d) The District has duly adopted the District Resolution in accordance with the laws of the State of California; the District Resolution is in full force and effect and has not been amended, modified or rescinded, and all representations of the District set forth in the District Resolution are true and correct; the District has duly authorized and approved the execution and delivery of, and the observance and performance by the District of its covenants and agreements contained in the Refunding Bonds, the Paying Agent Agreement and this Purchase Contract; and the District has complied, and will at the Closing be in compliance in all respects, with its obligations in connection with the issuance of the Refunding Bonds and the Exchange Bonds

contained in this Purchase Contract, the District Resolution, the Paying Agent Agreement and the Refunding Bonds.

(e) The District represents to the Underwriter that the Preliminary Official Statement has been “deemed final” by the District as of its date within the meaning of paragraph (b)(1) of Rule 15c2-12, except for the omission of some or all of such information the omission of which is permitted under Rule 15c2-12.

(f) The Preliminary Official Statement as of its date did not and as of the date hereof does not, and the Official Statement as of its date and as of the Closing Date will not, and if supplemented or amended, as of the date of any such supplement or amendment, will not, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading (excluding in each case any information contained therein relating to DTC or its book-entry only system; CUSIP numbers of the Refunding Bonds and the Exchange Bonds; information contained therein describing the investment policy of the County of Alameda (the “County”), its current portfolio holdings, and valuation procedures (as they relate to funds of the District held by the Treasurer-Tax Collector of the County (the “Treasurer-Tax Collector”)); and information provided by the Underwriter regarding the prices or yields at which the Refunding Bonds were re-offered to the public, as to all of which the District expresses no view) and at all such times is true and correct in all material respects.

(g) The District agrees that, for a period of 25 days after the end of the “underwriting period” (as defined in Rule 15c2-12), if any event of which it has actual knowledge occurs which might cause the information in the Official Statement as then in existence to contain any untrue or misleading statement of a material fact or omit to state any fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which such statements were made, not misleading, the District shall promptly notify the Underwriter in writing of the circumstances and details of such event. If, as a result of such event or any other event, it is necessary, in the reasonable opinion of the Underwriter, to amend or supplement the Official Statement so that the Official Statement does not contain any untrue or misleading statement of a material fact or omit to state any fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which such statements were made, not misleading, and if the Underwriter shall have so advised the District, the District shall forthwith cooperate with the Underwriter in the prompt preparation and furnishing to the Underwriter, at the expense of the District, of a reasonable number of copies of an amendment of or a supplement to the Official Statement, in form and substance satisfactory to the Underwriter, which will so amend or supplement the Official Statement so that, as amended or supplemented, it will not contain any untrue or misleading statement of a material fact or omit to state any fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which such statements were made, not misleading. The District shall promptly advise the Underwriter of the commencement of any action, suit, proceeding, inquiry or investigation seeking to prohibit, restrain or otherwise affect the use of the Official Statement in connection with the offering, sale or distribution of the Refunding Bonds and the Exchange Bonds. Unless the Underwriter otherwise advises the District that the end of the underwriting period shall be another specified date, the District agrees that the end of the underwriting period shall be the Closing Date.

(h) The District will undertake, pursuant to the District Resolution, the Paying Agent Agreement and a Continuing Disclosure Certificate, dated the Closing Date (the “Continuing Disclosure Certificate”) to provide certain annual financial information and notices of the occurrence of certain enumerated events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement. Except as disclosed in the Official Statement, in the preceding five years, the District has not failed to comply in any material respects with any previous undertakings pursuant to Rule 15c2-12.

(i) The District has, and has had, no municipal advisory relationship with the Underwriter with respect to the Refunding Bonds and the Exchange Bonds, nor with any investment firm controlling, controlled by or under common control with the Underwriter.

(j) Between the date hereof and the Closing Date, without prior written notice to the Underwriter, the District will not have issued, nor will the County have issued in the name and on behalf of the District, any bonds, notes or other obligations for borrowed money except for such borrowings as may be described in or contemplated by the Official Statement.

(k) The District hereby agrees to take any and all actions as may be required by the County or otherwise necessary in order to arrange for the levy and collection of taxes, payment of the Refunding Bonds and the Exchange Bonds, and the deposit and investment of Refunding Bond proceeds. In particular, the District hereby agrees to provide to the Treasurer-Tax Collector a copy of the District Resolution, a copy of Appendix A hereto, and the full debt service schedule for the Refunding Bonds and the Exchange Bonds.

(l) No consent, approval, authorization, order, filing, registration, qualification, election or referendum, of or by any court or governmental agency or public body whatsoever is required in connection with the issuance, delivery or sale of the Refunding Bonds [and the Exchange Bonds] or the consummation of the other transactions effected or contemplated herein or hereby, except for such actions as may be necessary to qualify the Refunding Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions of the United States as the Underwriter may reasonably request, or which have not been taken or obtained; provided, however, that the District shall not be required to subject itself to service of process in any jurisdiction in which it is not so subject as of the date hereof.

(m) To the best knowledge of the District after diligent inquiry, the issuance of the Refunding Bonds and the Exchange Bonds, and the execution, delivery and performance of the District Resolution, the District Documents and the Refunding Bonds and the Exchange Bonds, and the compliance with the provisions hereof and thereof do not conflict with or constitute on the part of the District a violation of or default under, the Constitution of the State or any existing law, charter, ordinance, regulation, decree, order or resolution and do not conflict with or result in a violation or breach of, or constitute a default under, any agreement, indenture, mortgage, lease or other instrument to which the District is a party or by which it is bound or to which it is subject and no event has occurred and is continuing which constitutes or with the passage of time or the giving of notice, or both, would constitute a material default or event of default by the District under any of the foregoing.

(n) No action, suit, proceeding, hearing or investigation is pending or, to the best knowledge of the District after diligent inquiry, threatened against the District: (i) in any way affecting the existence of the District or in any way challenging the respective powers of the several offices or of the titles of the officials of the District to such offices; or (ii) seeking to prohibit, restrain or enjoin the sale, issuance or delivery of any of the Refunding Bonds or the Exchange Bonds, or the application of the proceeds of the sale of the Refunding Bonds, or the collection or levy of taxes contemplated by the District Resolution and available to pay the principal of and interest on the Refunding Bonds and the Exchange Bonds, or in any way contesting or affecting the validity or enforceability of the Refunding Bonds or the Exchange Bonds, the District Resolution, the Paying Agent Agreement or this Purchase Contract or contesting the powers of the District or its authority with respect to the Refunding Bonds and the Exchange Bonds, the District Resolution, the Paying Agent Agreement or this Purchase Contract or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement; or (iii) in which a final adverse decision could (A) materially adversely affect the operations of the District or the consummation of the transactions contemplated by the District Resolution, the Paying Agent Agreement or this Purchase Contract, (B) declare this Purchase Contract to be invalid or unenforceable in whole or in material part, or (C) adversely affect the exclusion of the interest paid on the Tax-Exempt Bonds and the Exchange Bonds from gross income for federal income tax purposes and the exemption of such interest paid on the Refunding Bonds from California personal income taxation.

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

(p) The financial statements of the District contained in the Preliminary Official Statement and Official Statement fairly and accurately present the financial position and results of operations of the District as of the dates and for the periods therein set forth.

(q) The District hereby represents that it has not entered into any contract or agreement that would limit or restrict the District's ability to enter into this Purchase Contract for the sale of the Refunding Bonds to the Underwriter.

(r) The District has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the District is a bond issuer whose arbitrage certificates may not be relied upon.

(s) The District has the legal authority to apply the proceeds of the Refunding Bonds for the purposes contemplated by the Preliminary Official Statement and the Official Statement, including for the payment or reimbursement of incidental expenses in connection with the marketing, issuance and delivery of the Refunding Bonds and the Exchange Bonds to the extent described in Section 11 of this Purchase Contract and in compliance with applicable law.

5. [Reserved].

6. Representations and Agreements of the Underwriter. The Underwriter represents to and agrees with the District that, as of the date hereof and as of the date of the Closing:

(a) The Underwriter is duly authorized to enter into this Purchase Contract and to take any action under this Purchase Contract required to be taken by it, and the undersigned officer of the Underwriter is duly authorized to sign this Purchase Contract and to act hereunder on behalf of the Underwriter.

(b) The Underwriter is in compliance with MSRB Rule G-37 with respect to the District and is not prohibited thereby from acting as underwriter with respect to securities of the District.

(c) The Underwriter has, and has had, no municipal advisory relationship, within the meaning of Section 15B(e)(4) of the Securities Exchange Act of 1934, as amended, with the District with respect to the Refunding Bonds and the Exchange Bonds, and no investment firm controlling, controlled by or under common control with the Underwriter has or has had any such municipal advisory relationship.

(d) Such Underwriter has reasonably determined that the District's undertaking pursuant to Sections 4(h) and 7(a)(11) hereof and in the Continuing Disclosure Certificate to provide continuing disclosure with respect to the Refunding Bonds and the Exchange Bonds, assuming the District's compliance therewith, is sufficient to effect compliance with Rule 15c-12.

7. Conditions to Closing. The Underwriter has entered into this Purchase Contract in reliance upon (i) the representations, warranties, and agreements of the District contained herein; (ii) the accuracy of the representations, warranties, and agreements to be contained in the documents and instruments to be delivered at the Closing; and (iii) the performance by the District and its obligations hereunder, as of the date hereof and as of the date of the Closing. Accordingly, the Underwriter's obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Refunding Bonds shall be conditioned upon the performance by the District of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions, including the delivery by the District of such documents as are enumerated herein, in form and substance reasonably satisfactory to the Underwriter, unless waived in writing by the Underwriter:

(a) At or before Closing, and contemporaneously with the acceptance of delivery of the Refunding Bonds, the District will provide to the Underwriter:

(1) a certificate, signed by an Authorized District Representative, confirming to the Underwriter that the Preliminary Official Statement as of its date and as of the date hereof did not, and the Official Statement as of its date and at the time of Closing did not and does not, to the best of the knowledge of said official, after diligent inquiry, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading, and that there has been no material adverse change in the financial condition or affairs of the District which would make it unreasonable for the purchaser of the Refunding Bonds to rely upon the Official Statement in connection with the resale of the Refunding Bonds; excluding in each case: any information contained therein relating

to DTC or its book-entry only system; CUSIP numbers of the Refunding Bonds and the Exchange Bonds; information contained therein describing the investment policy of the County, its current portfolio holdings, and valuation procedures (as they relate to funds of the District held by the Treasurer-Tax Collector); and information provided by the Underwriter regarding the prices or yields at which the Refunding Bonds were re-offered to the public, as to all of which the District expresses no view.

(2) a certificate, signed by an official of the County, confirming to the Underwriter that the Preliminary Official Statement as of its date and as of the date hereof did not, and the Official Statement as of its date and at the time of Closing did not and does not, to the best of the knowledge of said official, after diligent inquiry, solely with respect to the information contained therein describing the County's investment policy, current portfolio holdings, and valuation procedures (as they relate to funds of the District held by the Treasurer-Tax Collector), contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(3) a certificate or certificates, signed by an Authorized District Representative, confirming to the Underwriter that, as of the Closing Date: (i) all of the representations, warranties and agreements of the District contained in this Purchase Contract are true and correct; (ii) that the District Resolution is in full force and effect and has not been amended, modified or rescinded; (iii) the official(s) signing this Purchase Agreement, the Paying Agent Agreement, the Dealer Manager Agreement, the Escrow Agreement, the Official Statement, the Tax Certificate and the Continuing Disclosure Certificate on behalf of the District is (are) authorized to do so; (iv) the District has complied with all the terms of the District Documents to be complied with by the District prior to or concurrently with the Closing and the District Documents are in full force and effect; (v) no action, proceeding, investigation or litigation (with service of process having been accomplished) is pending or, to the knowledge of the undersigned, after diligent inquiry, threatened (either in state or federal courts): (A) seeking to restrain or enjoin the execution, sale or delivery of any of the Refunding Bonds or the Exchange Bonds, (B) in any way contesting or affecting, directly or indirectly, the validity of the Refunding Bonds or the Exchange Bonds or any provisions made or authorized for their payment or the authority for the execution, sale or delivery of the Refunding Bonds, the Exchange Bonds, the Official Statement, the Continuing Disclosure Certificate, the Paying Agent Agreement, or this Purchase Agreement, or (C) in any way contesting the existence or powers of the District or the entitlement of the officers of the District who have signed the Refunding Bonds, the Exchange Bonds and the Official Statement and the various certificates and agreements of the District relating to the issuance of the Refunding Bonds and the Exchange Bonds, to their respective offices; (vi) based upon the information provided to such official in the course of their participation in the preparation of the Preliminary Official Statement and the Official Statement and upon diligent inquiry, they have no reason to believe that the Preliminary Official Statement (except for the information permitted to be omitted pursuant to Rule 15c2-12) as of the date of the Preliminary Official Statement and as of the date hereof or the Official Statement as of its date and as of the Closing Date contained or contains any untrue statement of a material fact or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light

of the circumstances under which they were made, not misleading; (vii) each of the conditions listed in Section 7 of this Purchase Agreement required to be satisfied by the District has been satisfied on the date thereof and the District is not aware of any other condition of this Purchase Agreement that has not been satisfied on the date thereof; and (viii) the Refunding Bonds being delivered on the Closing Date to the Underwriter under this Purchase Agreement substantially conform in all material respects to the descriptions thereof contained in the District Resolution, the Paying Agent Agreement, the Official Statement and this Purchase Agreement;

(4) the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel with respect to the issuance of the Refunding Bonds (“Bond Counsel”), addressed to the District, dated the Closing Date, approving the validity of the Refunding Bonds, substantially in the form set forth as Appendix D to the Official Statement, along with a reliance letter from Bond Counsel addressed to the Underwriter to the effect that the Underwriter can rely upon such opinion.

(5) a supplemental opinion of Bond Counsel, as disclosure counsel to the District (“Disclosure Counsel”) addressed to the Underwriter, dated the Closing Date, acceptable in form and substance to the Underwriter, substantially in the form set forth as Appendix B herein.

(6) an opinion of Husch Blackwell LLP, counsel for the Underwriter (“Underwriter’s Counsel”), dated the Closing Date and addressed to the Underwriter, satisfactory in form and substance to the Underwriter.

(7) the duly executed Tax Certificate of the District, dated the Closing Date, in form satisfactory to Bond Counsel and the Underwriter, and, with respect to the Tax-Exempt Bonds, setting forth, among other things, the use of proceeds of the Tax-Exempt Bonds, and sufficient facts, estimates and circumstances (including covenants of and by the District) in existence on the Closing Date, to support the conclusion that (i) it is not expected that the proceeds of the Tax-Exempt Bonds will be used in a manner that would cause the Tax-Exempt Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, and the regulations, temporary regulations and proposed regulations promulgated with respect thereto, and (ii) to the best knowledge of the District, there are no other facts, estimates, or circumstances that would materially affect such expectations;

(8) the receipt of the District or its agent confirming payment by the Underwriter of the Purchase Price of the Refunding Bonds [(less \$[Bond Insurance Premium], which shall be wired directly to the Bond Insurer as premium for the Insurance Policy)].

(9) the duly executed Continuing Disclosure Certificate of the District, in substantially the form attached as Appendix E to the Preliminary Official Statement.

(10) a certified copy of the adopted District Resolution.

(11) an opinion of General Counsel to the District, dated the Closing Date and addressed to the District, Bond Counsel and the Underwriter, satisfactory in form and substance to Bond Counsel and the Underwriter.

(12) an executed copy of the Paying Agent Agreement.

(13) an executed copy of this Purchase Contract.

(14) an executed copy of the Official Statement.

(15) an executed copy of the Escrow Agreement.

(16) an executed copy of the Dealer Management Agreement.

(17) the Invitation to Tender signed by an appropriate official of the District.

(18) a verification report of [Causey Demgen & Moore P.C.], as verification agent, addressed to the Underwriter, in form and substance acceptable to Bond Counsel and Underwriter's Counsel.

(19) the letter of [Moody's Investors Service] to the effect that such rating agency has rated the Refunding Bonds "[]" and that such rating has not been revoked or downgraded.

(20) a certificate of the appropriate Authorized District Representative evidencing the District's determination that the Preliminary Official Statement is "deemed final" in accordance with Rule 15c2-12.

(21) [executed copies of the bond insurance commitment letter(s) and the Insurance Policy relating to the Refunding Bonds.]

(22) [a certificate of the Bond Insurer in form and substance satisfactory to Bond Counsel and the Underwriter.]

(23) [an opinion of counsel to the Bond Insurer in form and substance satisfactory to Bond Counsel and the Underwriter.]

(24) such additional opinions, certificates, and documents as Bond Counsel or the Underwriter may reasonably request to evidence the truth and correctness, as of the Closing Date, of the representations of the parties contained herein, and of the District contained in the Official Statement, and the due performance or satisfaction by the parties at or prior to such time of all agreements then to be performed and all conditions then to be satisfied.

(b) At or before Closing, and contemporaneously with the acceptance of delivery of the Refunding Bonds and the payment of the Purchase Price thereof, the Underwriter will provide to the District:

(1) the receipt of the Underwriter, in form satisfactory to the District and signed by an authorized officer of the Underwriter, confirming delivery of the Refunding Bonds to the Underwriter and the satisfaction or waiver of all conditions and terms of this Purchase Contract by the District, and confirming to the District that as of the Closing Date all of the representations of the Underwriter contained in this Purchase Contract are true, complete and correct in all material respects.

(2) the certification of the Underwriter, in form satisfactory to Bond Counsel, regarding the prices at which the Refunding Bonds have been reoffered to the public, as described in Section 3 hereof.

8. Termination. (a) In the event of the District's failure to deliver the Refunding Bonds at the Closing, or inability of the District to satisfy the conditions to the obligations of the Underwriter contained herein (unless waived by the Underwriter), or if the obligations of the Underwriter shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract may be terminated by the Underwriter at or prior to the Closing.

(b) *By Underwriter.*

(1) *Excused.* The Underwriter may terminate, or delay to a date mutually agreed upon by the Underwriters and the District once the below-described disruption has been alleviated, its performance under this Purchase Contract, without any liability of the Underwriter therefor, by notification to the District if, on or prior to the Closing Date, any of the following shall have had a material adverse effect on the marketability or market price of the Refunding Bonds or on the ability to enforce contracts for the sale of any portion of the Refunding Bonds at any contemplated offering prices by the Underwriter, in the reasonable opinion of the Underwriter, upon consultation with the District:

(A) There shall have occurred and be continuing the declaration of a general banking moratorium by any authority of the United States or the State of New York or the State of California;

(B) There shall be in force a general suspension of trading or other material restrictions not in force as of the date hereof on the New York Stock Exchange or other national securities exchange;

(C) Legislation shall have been enacted by the Congress of the United States, or passed by and still pending before either House of the Congress, or recommended or endorsed to the Congress for passage by the President of the United States, or favorably reported for passage to and still pending before either House of the Congress by any committee of such House to which such legislation has been referred for consideration, or a decision shall have been rendered by a court of the United States, or the United States Tax Court, or a ruling or regulation shall have been issued by the U.S. Treasury, with respect to federal taxation of interest received on securities of the general character of the Tax-Exempt Bonds, or legislation shall have been enacted by the State of California which renders

interest on the Refunding Bonds not exempt from State of California personal income taxes;

(D) Legislation shall have been enacted, or a decision of a court of the United States shall have been rendered or any action shall have been taken by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction in the subject matter which, in the opinion of Bond Counsel, has the effect of requiring the contemplated distribution of the Refunding Bonds to be registered under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (together, the “Securities Acts”), or the District Resolution or the Paying Agent Agreement to be qualified under the Trust Indenture Act of 1939, as amended (the “Trust Indenture Act”), or of causing the issuance, offering or sale of the Refunding Bonds to be violative of any provision of federal securities laws, including the Securities Acts, or the Trust Agreement at the Closing Date;

(E) The New York Stock Exchange or other national securities exchange, or any governmental authority or Executive Order, shall impose and there shall be in effect, as to the Refunding Bonds or obligations of the general character of the Refunding Bonds, any material restrictions not now in force affecting the market for securities (including the imposition of any limitation on interest rates), or increase materially those now in force, with respect to the extension of credit by, or the charges to the net capital requirements of, underwriters, or there shall have occurred a material disruption in securities settlement, payment or clearance services affecting the Refunding Bonds;

(F) Congress shall have made a formal declaration of war, or the President of the United States shall have ordered a new major engagement in, or escalation of, military hostilities, a declared national emergency or there shall have occurred any other calamity or crisis (including without limitation a pandemic or epidemic), or the escalation of any such event that existed prior to the date hereof or any change that interrupts or causes disorder to the operation of the financial, political or economic conditions in the United States or elsewhere, if the effect of any such event specified above, in the judgment of the Underwriter, makes it impracticable or inadvisable to proceed with the offering, or the delivery, of the Refunding Bonds on the terms and in the manner contemplated in the Preliminary Official Statement or the Official Statement;

(G) There shall have occurred or any notice shall have been given of any intended downgrade, suspension, withdrawal or negative change in credit watch status by any national credit agency currently rating the Refunding Bonds;

(H) Any event occurring, or information becoming known which, in the sole reasonable judgment of the Underwriter, makes untrue in any material adverse respect any statement or information set forth in the Official Statement, or has the effect that the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make

the statements made therein, in the light of the circumstances under which they were made, not misleading;

(I) There shall have occurred any materially adverse change in the affairs or financial condition of the District including any amendment to the federal or State Constitution or action by any federal or State court, legislative body, regulatory body, or other authority materially adversely affecting the tax status of the District, its property, income, securities (or interest thereon), or the validity or enforceability of the assessment or collection of the *ad valorem* taxes pledged to pay the principal of and interest on the Refunding Bonds;

(J) Any fact or event shall exist or have existed that, in the Underwriter's judgment, requires or has required an amendment of, or supplement to, the Official Statement;

(K) Any state blue sky or securities commission or other governmental agency or body in a state in which ten percent (10%) or more of the Refunding Bonds have been sold shall have withheld registration, exemption, or clearance of the offering of the Refunding Bonds as described herein, or issued a stop order or similar ruling relating thereto, provided that such withholding or stop order is not due to the malfeasance, misfeasance, or nonfeasance of the Underwriter; or

(L) The purchase of and payment for the Refunding Bonds by the Underwriter, or the resale of the Refunding Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency, or commission, which prohibition shall occur subsequent to the date hereof, and is not the result of the Underwriter's acts or failure to act.

(2) *Unexcused.* In the event the Underwriter shall fail (other than for a reason permitted by this Purchase Contract) to pay for the Refunding Bonds upon tender of the Refunding Bonds at the Closing, the Underwriter shall have no right in or to the Refunding Bonds.

9. Closing. At or before 9:00 a.m., California time, on [Closing Date], or at such other date and time as shall have been mutually agreed upon by the District and the Underwriter, the District will deliver or cause to be delivered to the Underwriter the Refunding Bonds in book-entry form duly executed by the District, together with the other documents described in Section 7(a) hereof; and the Underwriter will accept such delivery and pay the Purchase Price of the Refunding Bonds as set forth in Section 1 hereof in immediately available funds by federal funds wires, in an aggregate amount equal to the Purchase Price, plus accrued interest, if any, on the Refunding Bonds from the date thereof to the date of such payment, and shall deliver to the District the other documents described in Section 7(b) hereof, as well as any other documents or certificates Bond Counsel shall reasonably require.

Payment for the delivery of the Refunding Bonds as described herein shall be made to the Paying Agent on behalf of the District in San Francisco, California or at such other place as

shall have been mutually agreed upon by the District and the Underwriter. The Refunding Bonds will be delivered through the facilities of DTC in New York, New York, or at such other place as shall have been mutually agreed upon by the District and the Underwriter. All other documents to be delivered in connection with the delivery of the Refunding Bonds shall be delivered at the offices of Orrick, Herrington & Sutcliffe LLP, San Francisco, California. Such payment and delivery is herein called the “Closing” and the date thereof the “Closing Date.”

10. Establishment of Issue Price.

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

(b) [Except as otherwise set forth in Appendix A hereto,] the District will treat the first price at which at least 10% of each maturity of the Tax-Exempt Bonds (the “10% test”) is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Purchase Contract, the Underwriter shall report to the District the price or prices at which the Underwriter has sold to the public each maturity of Tax-Exempt Bonds. [If at that time the 10% test has not been satisfied as to any maturity of the Tax-Exempt Bonds, Underwriter agrees to promptly report to the District the prices at which Tax-Exempt Bonds of that maturity have been sold by the Underwriter to the public. That reporting obligation shall continue, whether or not the Closing has occurred, until the 10% test has been satisfied as to the Tax-Exempt Bonds of that maturity or until all Tax-Exempt Bonds of that maturity have been sold to the public.

(c) The Underwriter confirms that it has offered the Tax-Exempt Bonds to the public on or before the date of this Purchase Contract at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in Appendix A attached hereto, except as otherwise set forth therein. Appendix A also sets forth, as of the date of this Purchase Contract, the maturities, if any, of the Tax-Exempt Bonds for which the 10% test has not been satisfied and for which the District and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the District to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Tax-Exempt Bonds, the Underwriter will neither offer nor sell unsold Tax-Exempt Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

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

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

The Underwriter shall promptly advise the District when the Underwriter have sold 10% of that maturity of the Tax-Exempt Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

(d) The Underwriter confirms that any selling group agreement relating to the initial sale of the Tax-Exempt Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group to (A) report the prices at which it sells to the public the unsold Tax-Exempt Bonds of each maturity allotted to it until it is notified by the Underwriter that either the 10% test has been satisfied as to the Tax-Exempt Bonds of that maturity or all Tax-Exempt Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter. The District acknowledges that, in making the representation set forth in this subsection, the Representative will rely on in the event a selling group has been created in connection with the initial sale of the Tax-Exempt Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, if applicable, as set forth in a selling group agreement and the related pricing wires. The District further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Tax-Exempt Bonds.]

(e) The Underwriter acknowledges that sales of any Tax-Exempt Bonds to any person that is a related party to the Underwriter shall not constitute sales to the public for purposes of this Section. Further, for purposes of this Section:

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

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

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

more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

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

11. Expenses.

(a) *Costs of Issuance.* Except as provided in the following paragraph, the District shall pay all costs and expenses incurred in connection with or relating to the execution and sale of the Refunding Bonds and the Exchange Bonds or incident to the performance of its obligations hereunder, including but not limited to: (i) the cost of the preparation and reproduction of the District Resolution, the Escrow Agreement and the Paying Agent Agreement; (ii) the fees and disbursements of the District’s municipal advisor with respect to the Refunding Bonds; (iii) the fees and disbursements of Bond Counsel and Disclosure Counsel; (iv) the costs of the preparation, printing and delivery of the Refunding Bonds; (v) the costs of the preparation, printing and delivery of the Preliminary Official Statement, the Official Statement, investor presentation and any amendment or supplement thereto in the quantity requested by the Underwriter in accordance herewith; (vi) initial rating fee of [Moody’s Investors Service]; (vii) fees and expenses of the Paying Agent and Escrow Agent for the Refunding Bonds; (viii) costs associated with the Invitation to Tender and offer to purchase the Tendered Bonds and exchange the Exchange Bonds, including fees of a tender agent, an information agent and fees of the Dealer Manager as set forth in and subject to the limitations in the Dealer Manager Agreement; (ix) fees of the Verification Agent; (x) expenses for travel, lodging and meals relating to meetings connected to the authorization, sale, issuance and distribution of the Refunding Bonds including, without limitation, rating agency visits; and (xi) all other costs connected to issuance of the Refunding Bonds and Exchange Bonds except costs specifically described below in subsections (b) below. The District acknowledges that it has had an opportunity, in consultation with its advisors if and as it may deem appropriate, to evaluate and consider the fees and expenses being incurred as part of the issuance of the Refunding Bonds and the exchange of the Exchange Bonds.

(b) *Underwriter’s Expenses.* The Underwriter shall pay all other costs and expenses incurred by the Underwriter as a result of or in connection with the purchase of the Refunding Bonds and its public offering and distribution of the Refunding Bonds, including, but not limited to: (i) clearinghouse fees; (ii) DTC fees; (iii) CUSIP fees; (iv) fees required to be paid to the California Debt and Investment Advisory Commission (“CDIAC”); and (v) fees of counsel to the Underwriter, including costs or fees of qualifying the Refunding Bonds for offer and sale in various states chosen by the Underwriter and the costs or fees of preparing Blue Sky or legal investment memoranda to be used in connection therewith; provided, however, that the District shall reimburse the Underwriter for all of the foregoing expenses in the expense component of the Underwriter’s discount.

12. Indemnification of Underwriter.

(a) The District agrees to indemnify and hold harmless the Underwriter and each person, if any, who controls (within the meaning of Section 15 of the Securities Act of 1933, as amended, or Section 20 of the Securities Exchange Act of 1934, as amended) the Underwriter, and its directors, officers, attorneys, agents and employees, against any and all losses, claims, damages liabilities or expenses (or actions in respect thereof) (“Claim”), that arise out of or are based upon (i) a claim in connection with the public offering of the Refunding Bonds to the effect that the Refunding Bonds or any related security are required to be registered under the Securities Act of 1933, as amended, or any Paying Agent Agreement is required to be qualified under the Trust Indenture Act of 1939, or (ii) any statement or information in the Preliminary Official Statement or in the Official Statement that is or is alleged to be untrue or incorrect in any material respect, or any omission or alleged omission of any statement or information in the Preliminary Official Statement or the Official Statement which is necessary in order to make the statements therein not misleading. The foregoing indemnity agreement shall be in addition to any liability that the District otherwise may have.

(b) In case any Claim shall be made or action brought against the Underwriter for which indemnity may be sought against the District, as provided above, the Underwriter shall promptly notify the District in writing setting forth the particulars of such Claim; but the omission to so notify the District (i) shall not relieve it from liability under paragraph (a) above unless and to the extent it did not otherwise learn of such action and such failure results in the forfeiture by the District of substantial rights and defenses and (ii) shall not relieve it from any liability which it may have to the Underwriter other than under paragraph (a) above. The District shall assume the defense thereof, including the retention of counsel acceptable to the Underwriter and the payment of all expenses and shall have the right to negotiate and consent to settlement. The Underwriter shall have the right to retain separate counsel in any such action and to participate in the defense thereof but the fees and expenses of such counsel shall be at the expense of the Underwriter unless the engagement of such counsel has been specifically authorized by the District or the District shall not have engaged counsel reasonably acceptable to the Underwriter to have charge of the defense of such action or proceeding or the Underwriter shall have reasonably concluded that there may be defenses available to it which are different from or additional to those available to the District (in which case the District shall not have the right to direct the defense of such action or proceeding on behalf of the Underwriter), in any of which events, such legal or other expenses shall be borne by the District. No party shall be liable for any settlement of any action effected without its consent, but if settled with the consent of the District or if there is a final judgment for the plaintiff in any action with or without written consent of the District, the District agrees to indemnify and hold harmless the indemnified parties to the extent of the indemnities set forth above from and against any loss or liability by reason of such settlement or judgment. Any such settlement must include an unconditional release of the Underwriter and the indemnified parties from all liability arising out of such action.

13. Indemnification of County; Non-Liability of County. Notwithstanding anything stated to the contrary in the District Resolution, the Refunding Bonds are not a debt of the County, including its Board of Supervisors, officers, officials, agents and employees, and the County, including its Board of Supervisors, officers, officials, agents and employees, has no obligation to repay the Refunding Bonds. Neither the County, nor its Board of Supervisors, nor any officer, official, agent or employee of the County, shall have any obligation or liability hereunder or in connection with the transactions contemplated hereby other than as specified in

17. Headings. The headings of the paragraphs and Sections of this Purchase Contract are inserted for convenience of reference only and shall not be deemed to be a part hereof.

18. Effectiveness. This Purchase Contract shall become effective upon the execution of the acceptance hereof by an Authorized District Representative, and shall be valid and enforceable at the time of such acceptance.

19. Counterparts. This Purchase Contract, for the purchase and sale of the Oakland Unified School District General Obligation Refunding Bonds, Series 2023A and Oakland Unified School District General Obligation Refunding Bonds, Series 2023B (Federally Taxable), may be executed in several counterparts, which together shall constitute one and the same instrument.

Respectfully submitted,

SIEBERT WILLIAMS SHANK & CO., LLC,
as Underwriter

By: _____
Authorized Representative

Accepted: [Sale Date]
Time: _____ p.m. (Pacific Time)

OAKLAND UNIFIED SCHOOL DISTRICT

By: _____
Chief Business Officer

APPENDIX A

**[\$[2023A Par]
OAKLAND UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION REFUNDING BONDS,
SERIES 2023A**

and

**[\$[2023B Par]
OAKLAND UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION REFUNDING BONDS,
SERIES 2023B (FEDERALLY TAXABLE)**

TERMS

Interest Rates:

See attached Pricing Report from Underwriter as Schedule A.

Principal Payments:

See attached Pricing Report from Underwriter as Schedule A.

Terms of Redemption:

Optional Redemption. The 2023A Refunding Bonds maturing on or before August 1, 20__ are not subject to redemption prior to their respective stated maturity dates. The 2023A Refunding Bonds maturing on and after August 1, 20__, shall be subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part on any date on or after August 1, 20__, at a redemption price equal to 100% of the principal amount thereof called for redemption, together with interest accrued thereon to the date of redemption, without premium.

The 2023B Refunding Bonds are not subject to optional redemption prior to maturity.

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

Mandatory Sinking Fund Redemption Date (August 1)	Principal Amount to be Redeemed
---	------------------------------------

\$

†

† Maturity.

The principal amount to be redeemed in each year shown in the table above will be reduced proportionately, in integral multiples of \$5,000, by the amount of such Term 2023A Refunding Bond optionally redeemed prior to the mandatory sinking fund redemption date, if any.

If any Term 2023A Refunding Bonds are redeemed pursuant to optional redemption, the total amount of all future sinking fund payments with respect to such Term 2023A Refunding Bonds shall be reduced by the aggregate principal amount of such Term 2023A Refunding Bonds so redeemed, to be allocated among such payments on a pro rata basis in integral multiples of \$5,000 principal amount (or on such other basis as the District may determine) as set forth in written notice given by the District to the Paying Agent.]

SCHEDULE A

Bond Pricing

**[\$2023A PAR]
OAKLAND UNIFIED SCHOOL DISTRICT
(County of Alameda, California)
GENERAL OBLIGATION REFUNDING BONDS,
SERIES 2023A**

Bond Component	Maturity Date	Amount	Rate	Yield	Price	10% Test Satisfied*	10% Test Not Satisfied	Subject to the Hold-the-Offering Price Rule
Serial Bonds:								

Term Bonds:

* At least 10% of each maturity sold as of the sale date, [Sale Date].

^c Priced to a first optional par call date of August 1, 20__.

**[\$2023B PAR]
OAKLAND UNIFIED SCHOOL DISTRICT
(County of Alameda, California)
GENERAL OBLIGATION REFUNDING BONDS,
SERIES 2023B (FEDERALLY TAXABLE)**

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Serial Bonds:					

APPENDIX B

PROPOSED FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

[To come]

APPENDIX C

ISSUE PRICE CERTIFICATE

**[\$2023A Par]
OAKLAND UNIFIED SCHOOL DISTRICT
(County of Alameda, California)
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2023A**

The undersigned, Siebert Williams Shank & Co., LLC (the “Purchaser”), based on information available to it, hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the price listed on the inside cover of the Official Statement published in connection with the issuance of the Bonds.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) The Underwriter offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. If there is a Hold-the-Offering Price Maturity, a copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Bond Purchase Agreement, the Underwriter has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “Hold-the-Offering-Price Rule”), and (b) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the Hold-the-Offering-Price Rule. No information has come to the attention of the Representative that any Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

[3. ***Qualified Guarantee.*** The present value of the interest to be saved on the Bonds as a result of the municipal bond insurance policy (the “Insurance”) exceeds the present value of the fees for such Insurance. The Insurance was a material factor in selling the Bonds at the lowest possible yield (given other characteristics of the Bonds). The premium paid for the Insurance does not exceed a reasonable arm’s length charge for transfer of the credit risk represented by the Insurance and does not include any payment for any direct or indirect services other than the transfer of credit risk.]

4. ***Defined Terms.***

(a) *General Rule Maturities* means those Maturities of the Bonds that are not “Hold-the-Offering-Price Maturities.”

(b) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”

(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date ([Sale Date]), or (ii) the date on which the Underwriter has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at one or more prices, each of which is no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *Issuer* means the Oakland Unified School District.

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

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party.

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

(h) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of each maturity of the Bonds is [Sale Date].

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

Notwithstanding anything set forth herein, the Purchaser is not engaged in the practice of law. The representations set forth in this certificate are limited to factual matters only. Accordingly, the Purchaser makes no representation as to the legal sufficiency of the factual matters set forth herein. Nothing in this certificate represents the Purchaser’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information

will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Orrick, Herrington & Sutcliffe LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds. Except as expressly set forth above, the certifications set forth herein may not be relied upon or used by any third party or for any other purpose.

SIEBERT WILLIAMS SHANK & CO., LLC,
as Underwriter

By: _____
Name: _____

Dated: [Closing Date].

SCHEDULE A
INITIAL OFFERING PRICES OF THE BONDS
(Attached.)

SCHEDULE B

PRICING WIRE OR EQUIVALENT COMMUNICATION

(Attached.)

DEALER MANAGER AGREEMENT

[October __], 2023

Oakland Unified School District
1011 Union Street
Oakland, California 94607

Ladies and Gentlemen:

This Dealer Manager Agreement (the “Agreement”) is entered into by and between the Oakland Unified School District (the “District”) and Siebert Williams Shank & Co., LLC (“Siebert”) in connection with the tender for purchase [or exchange] by the District of certain outstanding bonds of the District set forth below, as more particularly set forth in the Invitation to Tender Bonds issued by the District on the date hereof (the “Invitation”), which is attached hereto as Attachment A.

The obligations of the District subject to the Invitation are:

(i) certain maturities of the Oakland Unified School District General Obligation Bonds (Election of 2012), Series 2015A (the “2015A Bonds”), which are currently outstanding in the aggregate principal amount of \$[2015A Outstanding], as more particularly described in the Invitation;

(ii) certain maturities of the Oakland Unified School District 2015 General Obligation Refunding Bonds (the “2015 Refunding Bonds”), which are currently outstanding in the aggregate principal amount of \$[2015 Refunding], as more particularly described in the Invitation;

(iii) certain maturities of the Oakland Unified School District General Obligation Bonds (Election of 2006), Series 2016A (the “2016A Bonds”), which are currently outstanding in the aggregate principal amount of \$[2016A Outstanding], as more particularly described in the Invitation;

(iv) certain maturities of the Oakland Unified School District 2016 General Obligation Refunding Bonds (the “2016 Refunding Bonds”), which are currently outstanding in the aggregate principal amount of \$[2016 Refunding], as more particularly described in the Invitation;

(v) certain maturities of the Oakland Unified School District General Obligation Refunding Bonds, (Measure B) 2017 Series B (the “2017B Refunding Bonds”), which are currently outstanding in the aggregate principal amount of \$[2017B Refunding], as more particularly described in the Invitation;

(vi) certain maturities of the Oakland Unified School District General Obligation Refunding Bonds, (Measure J) 2017 Series C (the “2017C Refunding Bonds”), which are currently outstanding in the aggregate principal amount of \$[2017C Refunding], as more particularly described in the Invitation;

(vii) certain maturities of the Oakland Unified School District General Obligation Crossover Refunding Bonds, (Measure B) 2017 Series D (Taxable) (the “2017D Refunding Bonds”), which are currently outstanding in the aggregate principal amount of \$[2017D Refunding], as more particularly described in the Invitation; and

(viii) certain maturities of the Oakland Unified School District General Obligation Bonds (Election of 2012), Series 2019A (the “2019A Bonds” and, together with the 2015A Bonds, the 2015 Refunding Bonds, the 2016A Bonds, the 2016 Refunding Bonds, the 2017B Refunding Bonds, the 2017C

Refunding Bonds and the 2017D Refunding Bonds, the “Target Bonds”), which are currently outstanding in the aggregate principal amount of \$[2019A Bonds], as more particularly described in the Invitation.

As described in the Invitation, the District will:

(a) offer to beneficial owners (the “holders”) of the Target Bonds to purchase the Target Bonds for cash (the “Tender Offer”), such purchase for cash to be funded with proceeds of Oakland Unified School District General Obligation Refunding Bonds, Series 2023A (the “Series 2023A Bonds”), upon the terms and subject to the conditions set forth in the Invitation; and

[(b) as more particularly described in the Invitation, offer the holders of certain maturities of the Target Bonds (which holders are “qualified institutional buyers”) to exchange such Target Bonds (the “Exchange Offer” and, together with the Tender Offer, the “Tender/Exchange Offer”) for a specified amount of the General Obligation Refunding Bonds, Series 2023A-1 (the “Series 2023A-1 Bonds” and, together with the Series 2023A Bonds, the “Series 2023 Bonds”), upon the terms and subject to the conditions set forth in the Invitation.]

Concurrently with the execution of this Agreement, the District has furnished to Siebert, as dealer manager with respect to the matters set forth in the Invitation (in such capacity, the “Dealer Manager”), the Preliminary Official Statement of the District dated [October __], 2023, and attached to the Invitation (as amended or supplemented, the “Preliminary Official Statement”), relating to the Series 2023 Bonds for use in connection with the Invitation. Any other offering materials and information relating to the Invitation furnished to holders of the Target Bonds (including, any advertisements, press releases or summaries relating to the Invitation and any forms of letters to brokers, securities dealers, commercial banks, trust companies and other nominees relating to the Invitation), that the District may prepare or cause to be prepared or approved, including any amendments or supplements thereto, as of date hereof, together with the Preliminary Official Statement and the Invitation, are collectively referred to herein as the “Tender Documents.” Capitalized terms not defined herein shall have the meanings ascribed to them in the Preliminary Official Statement.

The District has caused complete and correct copies of the Tender Documents to be prepared and furnished to the Dealer Manager. The Tender Documents have been prepared and approved by the District, and the Dealer Manager is authorized to use the Tender Documents delivered on or prior to the date hereof in connection with the Tender/Exchange Offer in the manner contemplated by the Tender Documents along with such other offering materials and information that the District may approve for use subsequent to the date hereof in connection with the Tender/Exchange Offer (together with any and all information and documents incorporated by reference therein, collectively, the “Additional Material”).

In connection with the Invitation, and subject to the terms thereof, the District will: (i) purchase Target Bonds tendered for purchase with a portion of the proceeds of the Series 2023A Bonds; and (ii) deliver Series 2023A-1 Bonds in exchange for Target Bonds tendered for exchange]. The purchase of any Target Bonds tendered for purchase pursuant to the Tender Offer is contingent upon the issuance of the Series 2023A Bonds and the other conditions set forth in the Invitation. [The exchange of any Target Bonds tendered for exchange pursuant to the Exchange Offer is contingent upon the issuance of the Series 2023A-1 Bonds and the other conditions set forth in the Invitation.]

The Series 2023 Bonds shall be issued under and secured by a Paying Agent Agreement, dated as of November 1, 2023 (the “Paying Agent Agreement”), by and between the District and U.S. Bank Trust Company, National Association, as paying agent, and pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the “Act”). The execution and delivery by the District of the Paying Agent Agreement and the issuance of the Series 2023 Bonds was authorized by

the Board of Education of the District (the “Board”) pursuant to a resolution adopted by the Board on [October 11], 2023.

The date on which Target Bonds tendered for purchase pursuant to the Tender Offer are purchased [and on which Target Bonds tendered for exchange pursuant to the Exchange Offer are exchanged] is referred to herein as the “Settlement Date.”

SECTION 1. *Engagement.* Subject to the terms and conditions set forth herein:

(a) The District hereby retains the Dealer Manager, and subject to the terms and conditions hereof, the Dealer Manager agrees to act, as the exclusive dealer manager to the District in connection with the Invitation until the Settlement Date or earlier termination of this Agreement pursuant to Section 3 hereof.

(b) The District acknowledges that the Dealer Manager has been retained solely to provide the services set forth in this Agreement. The District also acknowledges and agrees that the Dealer Manager shall act as an independent contractor, on an arms-length basis under this Agreement with duties solely to the District, and not as a financial advisor (including a municipal advisor as defined in Section 975(c) of the Dodd Frank Wall Street Reform and Consumer Protection Act), and that nothing contained herein or the nature of the Dealer Manager’s services hereunder is intended to create or shall be construed as creating an agency or fiduciary relationship between a Dealer Manager (or any of its affiliates) and the District (or its security holders, directors, officers, employees or creditors) or any other person. The District further acknowledges that: (i) Siebert shall not be deemed to act as a partner, joint venturer or agent of, or a member of a syndicate with, the District (except that in any jurisdiction in which the Invitation is required to be made by a registered licensed broker or dealer, it shall be deemed made by the Dealer Manager on behalf of the District), and the District shall not be deemed to act as the agent of Siebert; and (ii) no securities broker, dealer, bank, trust company or nominee shall be deemed to act as the agent of Siebert or as the agent of the District, and Siebert shall not be deemed to act as the agent of any securities broker, dealer, bank, trust company or nominee. In connection with the transactions contemplated hereby and the process leading to such transactions, Siebert is and has been acting solely as a principal and not the agent or fiduciary of the District or its security holders, directors, officers, employees, creditors or any other person. The District acknowledges and agrees that none of Siebert, its affiliates and officers, directors, employees, agents and controlling persons shall have any liability in tort, contract or otherwise to the District for any act or omission on the part of any securities broker, dealer, bank, trust company or nominee or any other person other than Siebert.

(c) Accordingly, the District expressly disclaims any agency or fiduciary relationship with Siebert hereunder. The District understands that Siebert and its affiliates are not providing (nor is the District relying on Siebert or its affiliates for) tax, regulatory, legal or accounting advice. The rights and obligations that the District may have to Siebert or its affiliates under any credit or other agreement are separate from the District’s rights and obligations under this Agreement and will not be affected in any way by this Agreement. Siebert may, to the extent it deems appropriate, retain the services of any of its affiliates to assist Siebert in providing its services hereunder and share with any such affiliates any information made available by or on behalf of the District. In connection with the Invitation, the District has consulted its own municipal, legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.

(d) The District acknowledges that Siebert and its affiliates are engaged in a broad range of securities activities and financial services. In the ordinary course of Siebert’ business, Siebert or its affiliates: (i) may at any time hold long or short positions, and may trade or otherwise effect transactions, for Siebert’ own account or the accounts of their customers, in debt securities of the District (including

the Target Bonds); and (ii) may at any time be providing or arranging financing and other financial services to companies or entities that may be involved in a competing transaction. In the event that Siebert owns any Target Bonds, the District acknowledges that Siebert may participate in the tender of such Target Bonds pursuant to the Tender Offer. [In the event that Siebert owns any Target Bonds, the District acknowledges that Siebert may participate in the exchange of such Target Bonds pursuant to the Exchange Offer.]

(e) The Dealer Manager agrees, in accordance with its customary practice and consistent with industry practice and in accordance with the terms of the Invitation, to perform those services in connection with the Invitation as are customarily performed by dealer managers in connection with similar transactions of a like nature, including, without limitation, using all reasonable efforts to solicit tenders of Target Bonds for purchase [and tenders of Target Bonds for exchange] in the United States pursuant to the Invitation, communicating generally regarding the Invitation with securities brokers, dealers, banks, trust companies and nominees and other holders of the Target Bonds and participating in meetings with, furnishing information to, and assisting the District in negotiating with holders of the Target Bonds. In soliciting tenders of Target Bonds for purchase [and tenders of Target Bonds for exchange], no securities broker or dealer (other than the Dealer Manager), commercial bank or trust company shall be deemed to act as the agent of either Dealer Manager or the agent of the District; and the Dealer Manager shall not be deemed the agent of any other securities broker or dealer or of any commercial bank or trust company. The District shall have sole authority for the acceptance or rejection of any and all tenders of Target Bonds for purchase [and tenders of Target Bonds for exchange].

(f) The District has selected Globic Advisors to act as an information agent (the “Information Agent”) in connection with the Invitation and as such to advise the Dealer Manager as to such matters relating to the Invitation as the Dealer Manager may reasonably request. In addition, the District hereby authorizes the Dealer Manager to communicate with the Information Agent with respect to matters relating to the Invitation. The District has instructed or will instruct the Information Agent to advise the Dealer Manager at least daily in writing as to the principal amount of the Target Bonds tendered and not validly withdrawn [and as to the principal amount of the Target Bonds tendered for exchange and not validly withdrawn] pursuant to the Invitation prior to the Expiration Date(s) (as defined in the Invitation) set forth in the Invitation and such other matters in connection with the Invitation as the Dealer Manager may reasonably request.

(g) The District, with the assistance of the Information Agent, shall cause to be delivered to the holders of the Target Bonds and to each participant in the Depository Trust Company (“DTC”) appearing in the most recent available DTC securities listing as a holder of the Target Bonds, as soon as practicable, by electronic means or by another means of expedited delivery, copies of the Tender Documents. Thereafter, to the extent practicable, until the Expiration Date(s) of the Invitation, the District shall use its reasonable best efforts to cause copies of such materials to be made available to each person who becomes a holder or beneficial owner of the Target Bonds. In addition, the District shall update such information from time to time during the term of this Agreement as reasonably requested by the Dealer Manager and to the extent such information is reasonably available to the District within the time constraints specified.

(h) The District authorizes the Dealer Manager to use the Tender Documents and any Additional Material in connection with the Tender/Exchange Offer and for such period of time as any materials are required by law to be delivered in connection therewith. The Dealer Manager shall not have any obligation to cause any Tender Documents or Additional Material to be transmitted generally to the holders of the Target Bonds.

(i) The District agrees to cause the Preliminary Official Statement and the other Tender Documents to be filed with the Electronic Municipal Market Access system (“EMMA”) maintained by the Municipal Securities Rulemaking Board on or prior to the date hereof and to cause any Additional Material to be filed with EMMA when issued and delivered by the District. The District will deliver to the Dealer Manager the final official statement relating to the Series 2023 Bonds (the “Official Statement”).

(j) The District agrees to advise the Dealer Manager promptly of the occurrence of any event which could cause or require the District to withdraw, rescind or modify the Tender Documents or any Additional Material. In addition, if any event occurs as a result of which it shall be necessary to amend or supplement any Tender Documents or any Additional Material in order to correct any untrue statement of a material fact contained therein or omission to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, the District shall, promptly upon becoming aware of any such event, advise the Dealer Manager of such event and, as promptly as practicable under the circumstances, prepare and furnish copies of such amendments or supplements of any such Tender Documents or any Additional Material to the Dealer Manager, so that the statements in such Tender Documents or Additional Material, as so amended or supplemented, will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The District agrees to file or cause to be filed with EMMA any amendments or supplements of any Tender Documents or any Additional Material.

(k) Except as otherwise required by law or regulation, the District will not use or publish any material in connection with the Invitation, other than: (i) the Tender Documents; (ii) any material related to the offering of the Series 2023 Bonds pursuant to the Preliminary Official Statement and the Official Statement or the purchase and sale of such Series 2023 Bonds; and (iii) any Additional Material approved in writing by the Dealer Manager (which approval may be in the form of an electronic transmission), or refer to the Dealer Manager in any such material, without the prior written approval of the Dealer Manager (which approval may be in the form of an electronic transmission), which in either instance shall not be unreasonably withheld. The District, upon receiving such written approval, will promptly furnish the Dealer Manager with as many copies of such approved materials as the Dealer Manager may reasonably request. The District will promptly inform the Dealer Manager of any litigation or administrative or similar proceeding of which it becomes aware which is initiated or threatened in writing with respect to the Invitation. The Dealer Manager agrees that it will not make any statements in connection with the Invitation other than the statements that are set forth in, or derived from and consistent with, the Tender Documents or Additional Material without the prior written consent of the District.

(l) The District agrees to pay promptly, in accordance with the terms of and subject to the satisfaction of the conditions set forth in the Tender Documents, the applicable purchase price for the Target Bonds accepted for purchase by the District to the holders entitled thereto; provided, however, that the purchase of Target Bonds is contingent upon issuance of the Series 2023A Bonds and the source of payment therefor is solely from the proceeds of the applicable series of Series 2023A Bonds. The District agrees not to purchase any Target Bonds during the term of this Agreement except pursuant to and in accordance with the Invitation or as otherwise agreed in writing by the parties hereto and permitted under applicable laws and regulations.

[(m) The District agrees to exchange promptly, in accordance with the terms of and subject to the satisfaction of the conditions set forth in the Tender Documents, the Target Bonds tendered and accepted for exchange by the District to the holders entitled thereto; provided, however, that the exchange of Target Bonds is contingent upon issuance of the Series 2023A-1 Bonds. The District agrees not to

accept for exchange any Target Bonds during the term of this Agreement except pursuant to and in accordance with the Invitation or as otherwise agreed in writing by the parties hereto and permitted under applicable laws and regulations.]

(n) The District acknowledges that in providing advice to the District in connection with the Tender/Exchange Offer as contemplated hereby, the Dealer Manager is relying on the independent registered municipal advisor exemption to the Securities and Exchange Commission's Municipal Advisor Rule. The District is represented by Isom Advisors, a Division of Urban Futures, Inc. as its independent registered municipal advisor and has relied on the advice of Isom Advisors, a Division of Urban Futures, Inc. with respect to the Tender/Exchange Offer.

SECTION 2. *Compensation and Expenses.*

(a) The District shall pay to Dealer Manager, as compensation for services as Dealer Manager, a fee of \$[] for each \$1,000 principal amount of Target Bonds tendered and purchased pursuant to the Invitation[, and \$[] for each \$1,000 principal amount of Target Bonds exchanged pursuant to the Invitation]. The Dealer Manager's fee and reasonable out-of-pocket expenses will be paid from the proceeds of the Series 2023 Bonds issued by the District to fund the Invitation or other available moneys of the District.

(b) The District shall pay all reasonable expenses incurred in connection with the Invitation, whether or not any Target Bonds are tendered pursuant to the Tender Offer [or any Target Bonds are exchanged pursuant to the Exchange Offer], including, without limitation, all fees and expenses relating to preparation, printing, mailing and publishing of the Tender Documents and any Additional Material, and all amounts payable to securities dealers (including the Dealer Manager), brokers, banks, trust companies and nominees as reimbursements of their customary mailing and handling expenses incurred in forwarding the Tender Documents and any Additional Material to their customers, and of any forwarding agent, all advertising charges and all other expenses of the District in connection with the Invitation and shall reimburse the Dealer Manager for all reasonable out-of-pocket expenses incurred by the Dealer Manager in connection with its services as Dealer Manager under this Agreement, including the reasonable fees and disbursements of counsel to the Dealer Manager, but excluding in all cases the fees described in Section 2(a) above. This Section 2(b) shall survive the termination of this Agreement (other than pursuant to Section 3(b)(ii)).

SECTION 3. *Termination; Withdrawal.*

(a) Subject to Section 7 hereof, this Agreement shall terminate upon the earliest to occur of: (i) the termination, withdrawal or cancellation of the Invitation; (ii) the close of business on the Settlement Date; (iii) the withdrawal by Siebert as the Dealer Manager pursuant to Section 3(c) hereof; and (iv) the date that is six months from the date hereof.

(b) Subject to Section 7 hereof, this Agreement may be terminated by the District at any time upon notice to the Dealer Manager, if: (i) at any time prior to the Settlement Date, the Invitation is terminated or withdrawn by the District for any reason; or (ii) the Dealer Manager does not, in the reasonable opinion of the District, comply in any material respect with any covenant in Section 1.

(c) Subject to Section 7 hereof, this Agreement shall be subject to termination in the absolute discretion of the Dealer Manager without any liability or penalty to the Dealer Manager or any of its affiliates and their respective officers, directors, employees, agents and controlling persons (each, a "Dealer Manager-Related Person"), at any time upon notice to the District, if: (i) at any time prior to the Settlement Date, the Invitation is terminated or withdrawn by the District for any reason other than as

provided in Section 3(b)(ii) above, or any stop order, restraining order, injunction or denial of an application for approval has been issued and not thereafter stayed or vacated, or any proceeding, litigation or investigation has been initiated, with respect to or otherwise affecting the Invitation or any other action or transaction contemplated by the Tender Documents or this Agreement, which the Dealer Manager believes renders it inadvisable for the Dealer Manager to continue to act hereunder, then in any such case the Dealer Manager shall be entitled to withdraw as Dealer Manager without any liability or penalty to it or any other Dealer Manager-Related Person and without loss of any right to reimbursement for its expenses, fees and costs pursuant to Section 2 hereof; (ii) the District shall have breached in any material respect, any representation, warranty or covenant contained herein (including, but not limited to, the conditions set forth in Section 4 hereof); or (iii) the District shall publish, send or otherwise distribute any amendment or supplement to the Tender Documents or any Additional Material to which the Dealer Manager shall reasonably object in writing to the District.

SECTION 4. *Representations and Warranties by the District.* The District represents and warrants to the Dealer Manager, as of the date hereof, as of each date that any Tender Documents are published, sent, given or otherwise distributed, throughout the continuance of the Invitation, and as of the Settlement Date, that:

(a) The District is a school district duly organized and existing under and by virtue of the Constitution and laws of the State of California.

(b) The District has full legal right, power and authority to execute and deliver this Agreement, to observe and perform the covenants and agreements provided for in this Agreement, and to consummate the Invitation and the transactions to which it is or is to be a party as contemplated hereby and by the Invitation, including but not limited to the issuance of the Series 2023 Bonds. The execution, delivery and performance of this Agreement and the consummation by the District of the Invitation and the transactions to which it is or is to be a party as contemplated hereby and by the Invitation, have been duly authorized by all necessary action on the part of the District (including authorizing any provisions for the payment from proceeds of the Series 2023A Bonds by the District for Target Bonds tendered for purchase [and authorizing the issuance and delivery of the Series 2023A-1 Bonds in connection with the exchange of Target Bonds]).

(c) This Agreement and the District's performance hereunder and under the Paying Agent Agreement have been duly authorized and approved by the District. This Agreement has been duly executed by the District and constitutes the legal, valid and binding obligation of the District, enforceable in accordance with its terms, except to the extent that enforceability is subject to bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights and remedies generally and to the application of equitable principles where equitable remedies are sought, to the exercise of judicial discretion in appropriate cases, and to the limitations on the exercise of legal remedies against public agencies in the State of California. On the Settlement Date, the Paying Agent Agreement shall have been duly executed and delivered by the District, shall be in full force and effect, shall not have been amended, modified or rescinded and shall be valid and binding on the District and enforceable against the District in accordance with its terms. When issued, the Series 2023 Bonds shall be valid and binding obligations of the District secured by the pledge and lien which they purport to be secured by.

(d) The Tender Documents comply and (as amended or supplemented, if amended or supplemented) will comply in all material respects with all applicable requirements of the federal securities laws; and the Tender Documents and the Additional Material are true and correct in all material respects and do not and (as amended or supplemented, if amended or supplemented) will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or

necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(e) Except as otherwise disclosed in the Tender Documents (exclusive of any amendment or supplement thereto), there is no event or circumstance which would have a material adverse effect on the power or ability of the District to perform its obligations hereunder or with respect to the Series 2023 Bonds, to make or consummate the Invitation or to consummate the transactions to which it is or is to be a party as contemplated hereby and by the Tender Documents.

(f) The execution and delivery of this Agreement and compliance with the provisions on the District's part contained herein and the making and consummation of the Invitation (including any provisions for the payment by the District from proceeds of the Series 2023A Bonds for Target Bonds tendered for purchase [or the issuance and delivery of the Series 2023A-1 Bonds for Target Bonds tendered for exchange]) and the consummation of the transactions contemplated hereby and thereby do not and will not: (i) conflict with or constitute a breach of or default under any constitutional provision, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the District is a party or to which any of its property or assets are otherwise subject; (ii) result in any violation of the laws of the State of California; or (iii) contravene any federal, state or local law, rule or regulation applicable to the District, or any order applicable to the District of any court or of any other governmental agency or instrumentality having jurisdiction over it or any of its property.

(g) Except as disclosed in the Tender Documents, no litigation or other action, suit, proceeding, inquiry or investigation before or by any court or agency or other administrative body (either of the State of California or the United States Government) is pending or, to the knowledge of the District, threatened, in any way restraining or enjoining, or threatening or seeking to restrain or enjoin the making or consummation of the Invitation, the acquisition or cancellation of Target Bonds or the other transactions contemplated by this Agreement or the Tender Documents or: (i) in any way contesting, questioning or affecting the validity or enforceability of any provision of this Agreement, the Series 2023 Bonds, the Paying Agent Agreement or the pledge and lien of revenues securing the Series 2023 Bonds; (ii) in any way contesting, questioning or affecting the accuracy, completeness or fairness of the Tender Documents; (iii) in any way contesting, questioning or affecting the legal existence of the District, the title of its officers and the Board to their respective offices, or its ability to perform its obligations hereunder, with respect to the making or consummation of the Invitation, the acquisition or cancellation of Target Bonds or the other transactions contemplated by this Agreement or the Tender Documents; (iv) in any way contesting, questioning or affecting the ability of the District to consummate, or substantially comply with, the making or consummation of the Invitation, the acquisition or cancellation of Target Bonds or the other transactions contemplated by this Agreement or the Tender Documents; or (v) which, if adversely determined, could have a material adverse effect on the financial condition of the District or on the making or consummation of the Invitation, the acquisition or cancellation of Target Bonds or the other transactions contemplated by this Agreement, the Series 2023 Bonds, the Paying Agent Agreement or the Tender Documents. The District shall advise the Dealer Manager promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Tender Documents in connection with the transactions contemplated hereby and by the Invitation.

(h) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required to be obtained by the District for: (i) the due authorization of, or which would constitute a condition precedent to or the absence of which would materially adversely affect the making and consummation of, the Invitation (including any provisions for the payment by the District for Target

Bonds tendered for purchase [and the exchange of any Target Bonds tendered for exchange]; (ii) the execution, delivery and performance of this Agreement by the District; or (iii) the consummation of the transactions contemplated hereby by the District have been duly obtained, except for such approvals, consents and orders as are not required until, and will be obtained prior to the Settlement Date, or as may be required under the blue sky or securities laws of any state in connection with the offering and sale of the Series 2023 Bonds.

(i) Subject to the successful sale and closing of the applicable series of Series 2023 Bonds, the District has or will have available funds, is authorized to apply, and will apply, or cause to be applied, such funds to pay the full purchase price of the Target Bonds tendered for purchase that the District becomes committed to purchase[, and the District is authorized to accept the Target Bonds that are tendered for exchange, in each case] pursuant to the Invitation, and all related fees and expenses, all as provided in and subject to all of the terms and provisions of the Paying Agent Agreement and the Tender Documents.

(j) The District is not in material breach of, or in default under: (i) any applicable constitutional provision, law or administrative regulation of the State of California or the United States of America or any agency or instrumentality of either or any applicable judgment or decree; or (ii) any other loan agreement, note, bond, resolution, indenture, agreement or other instrument to which the District is subject, or by which it or any of its properties is bound or affected, and no event has occurred and is continuing which, with the passage of time or giving of notice, or both, would constitute a default or event of default under any such instrument.

(k) Prior to the Settlement Date the District will not take any action within or under its control that will cause any material adverse change in the District's ability to perform its obligations under or consummate the transactions contemplated by this Agreement and the Tender Documents.

(l) The District has deemed the Preliminary Official Statement final as of its date, except for the omission of certain information as permitted by Rule 15c-12 promulgated by the Securities and Exchange Commission.

(m) The District has instructed the Information Agent, on behalf of the District and the Dealer Manager, to make appropriate arrangements with DTC to allow for the book-entry movement of tendered Target Bonds and the Series 2023A-1 Bonds between depository participants and DTC.

(n) The representations and warranties set forth in this Section 4 shall remain operative and in full force and effect regardless of any termination, expiration or cancellation of this Agreement.

(o) The representations and warranties of the District set forth in the purchase contract for the Series 2023 Bonds are hereby incorporated into this Agreement.

SECTION 5. *Conditions and Obligations.* The obligation of the Dealer Manager to act as a Dealer Manager hereunder shall at all times be subject, in its discretion, to the conditions that:

(a) All representations and warranties of the District contained herein or in any certificate or writing delivered hereunder at all times during the Invitation and at all times at or prior to the Settlement Date, shall be true and correct.

(b) The District at all times during the Invitation and at all times at or prior to the Settlement Date shall have performed all of its obligations hereunder required as of such time to have been performed by it.

(c) As of the date hereof, the Dealer Manager shall have received the opinions of Husch Blackwell LLP, counsel to the Dealer Manager, to the effect that: (i) the Invitation, and the actions of the District in connection with the Invitation as specifically set forth in the Tender Documents, are exempt from the provisions of Section 14(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), Regulation 14D and 14E of the Securities and Exchange Commission and the related rules promulgated thereunder; and (ii) no information has come to the attention of such counsel which caused them to believe that the Invitation and the Preliminary Official Statement contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, subject to standard exclusions.

(d) The District shall furnish to the Dealer Manager the opinion of Orrick, Herrington & Sutcliffe LLP, dated the date hereof, substantially in the form attached hereto as Exhibit A.

(e) At the Settlement Date, there shall have been delivered to the Dealer Manager, on behalf of the District, a certificate of the Chief Business Officer of the District, or by her authorized designee, dated the Settlement Date, and stating that the representations and warranties set forth in Section 4 hereof are true and accurate as if made on the Settlement Date.

(f) The District shall have advised the Dealer Manager promptly of: (i) the occurrence of any event (other than one expressly contemplated by the terms of the Invitation), which could cause the District to withdraw, rescind or terminate the Invitation or would permit the District to exercise any right not to purchase Target Bonds tendered under the Invitation [or not to exchange Target Bonds tendered for exchange under the Invitation]; (ii) the occurrence of any event, or the discovery of any fact, the occurrence or existence of which the District believes would make it necessary or advisable to make any change in the Tender Documents or any Additional Material being used or would cause any representation or warranty contained in this Agreement to be untrue or inaccurate in any material respect; (iii) any proposal by the District or requirement to make, amend or supplement any Tender/Exchange Document or any Additional Material pursuant to any applicable law, rule or regulation; (iv) its awareness of the issuance by any regulatory authority of any comment or order or the taking of any other action concerning the Invitation (and, if in writing, will have furnished the Dealer Manager with a copy thereof); (v) its awareness of any material developments in connection with the Invitation or the financing thereof, including, without limitation, the commencement of any lawsuit relating to the Invitation; and (vi) any other information relating to the Invitation, the Tender Documents, any Additional Material or this Agreement which the Dealer Manager may from time to time reasonably request.

SECTION 6. *[Reserved]*.

SECTION 7. *Survival*. This Section 7 and Sections 2, 8 and 10 hereof, and the representations and warranties of the District set forth in Section 4 hereof shall survive any failure by the District to commence, or termination, expiration or cancellation of this Agreement, any completion of the engagement provided for by this Agreement or any investigation made on behalf of the District, the Dealer Manager or any Dealer Manager-Related Person and shall survive the termination of the Invitation.

SECTION 8. *Governing Law*. This Agreement will be governed by and construed in accordance with the laws of the State of California without reference to choice of law doctrine.

SECTION 9. *Notices*. Except as otherwise expressly provided in this Agreement, whenever notice or other communication is required by the provisions of this Agreement to be given, such notice or other communication shall be in writing addressed as follows and effective when received:

If to the District:

1011 Union Street
Oakland, California 94607
Attention: Chief Business Officer

If to the Dealer Manager:

Siebert Williams Shank & Co., LLC
1901 Harrison Street, Suite 1400
Oakland, CA 94612
Attention: Gary Hall, Head of Infrastructure and Public Finance
Facsimile: (510) 645-2247

SECTION 10. *Advertisements.* The District agrees that the Dealer Manager shall have the right to place advertisements in financial and other newspapers and journals at their own expense describing their services to the District hereunder, subject to the District's prior approval, which approval shall not be unreasonably withheld or delayed.

SECTION 11. *Miscellaneous.*

(a) This Agreement contains the entire agreement between the parties relating to the subject matter hereof and supersedes all oral statements and prior writings with respect thereto. This Agreement may not be amended or modified except by a writing executed by each of the parties hereto. Section headings herein are for convenience only and are not a part of this Agreement.

(b) This Agreement is solely for the benefit of the District and the Dealer Manager, and their respective successors, heirs and assigns, and no other person shall acquire or have any rights under or by virtue of this Agreement.

(c) The Dealer Manager may share any information or matters relating to the District, the Invitation and the transactions contemplated hereby with their respective affiliates and such affiliates may likewise share information relating to the District with the Dealer Manager.

(d) If any term, provision, covenant or restriction contained in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable or against public policy, the remainder of the terms, provisions, covenants, and restrictions contained herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated. The District and the Dealer Manager shall endeavor in good faith negotiations to replace the invalid, void or unenforceable provisions with valid provisions, the economic effect of which comes as close as possible to that of the invalid, void or unenforceable provisions.

(e) This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which, taken together, will constitute one and the same instrument.

If the foregoing correctly sets forth our understanding, please indicate your acceptance of the terms hereof by signing in the appropriate space below and returning to the Dealer Manager the enclosed duplicate originals hereof, whereupon this letter shall become a binding agreement between us.

Very truly yours,

SIEBERT WILLIAMS SHANK & CO., LLC

By: _____
Authorized Officer

Accepted and agreed to as
of the date first written above:

OAKLAND UNIFIED SCHOOL DISTRICT

By: _____
Name: Lisa Grant-Dawson
Title: Chief Business Officer

[Signature Page to Dealer Manager Agreement]

EXHIBIT A

OPINION OF BOND COUNSEL

[Subject to update]

[October __], 2023

Siebert Williams Shank & Co., LLC
Oakland, California

Re: Oakland Unified School District General Obligation Refunding Bonds, Series 2023A
[and Oakland Unified School District General Obligation Refunding Bonds, Series
2023A-1]

Ladies and Gentlemen:

This letter is addressed to you, as dealer manager (the “Dealer Manager”) pursuant to the Dealer Manager Agreement, dated [October __], 2023 (the “Agreement”), related to the Invitation to Tender Bonds, dated [October __], 2023 (the “Invitation to Tender”) delivered by the Oakland Unified School District (the “District”) to the holders of certain maturities of its: (i) Oakland Unified School District General Obligation Bonds (Election of 2012), Series 2015A (the “2015A Bonds”); (ii) Oakland Unified School District 2015 General Obligation Refunding Bonds (the “2015 Refunding Bonds”); (iv) Oakland Unified School District General Obligation Bonds (Election of 2006), Series 2016A (the “2016A Bonds”); (iv) Oakland Unified School District 2016 General Obligation Refunding Bonds (the “2016 Refunding Bonds”); (v) Oakland Unified School District General Obligation Refunding Bonds, (Measure B) 2017 Series B (the “2017B Refunding Bonds”); (vi) Oakland Unified School District General Obligation Refunding Bonds, (Measure J) 2017 Series C (the “2017C Refunding Bonds”); (vii) Oakland Unified School District General Obligation Crossover Refunding Bonds, (Measure B) 2017 Series D (Taxable) (the “2017D Refunding Bonds”); and (viii) Oakland Unified School District General Obligation Bonds (Election of 2012), Series 2019A (the “2019A Bonds” and, together with the 2015A Bonds, the 2015 Refunding Bonds, the 2016A Bonds, the 2016 Refunding Bonds, the 2017B Refunding Bonds, the 2017C Refunding Bonds and the 2017D Refunding Bonds, the “Target Bonds”), including the Preliminary Official Statement and all other appendices thereto, dated [October __], 2023 (the “Preliminary Official Statement”), executed and delivered by the Dealer Manager and accepted and agreed to by the District. Pursuant to the Invitation to Tender, the District will invite owners of any and all of the Target Bonds to tender their Target Bonds for cash [and the District will invite owners (that are “qualified institutional buyers” within the meaning of Rule 144A promulgated under the Securities Act of 1933, as amended) of certain maturities of the Target Bonds to exchange their Target Bonds for Series 2023A-1 Bonds (defined herein)], in the amount specified in the Invitation to Tender, the purchase [and exchange] of such tendered Target Bonds to be funded by the issuance of one or more of the Oakland Unified School District General Obligation Refunding Bonds, Series 2023A (the [“Series 2023A Bonds”) and Oakland Unified School District General Obligation Refunding Bonds, Series 2023A-1 (the “Series 2023A-1 Bonds” and, together with the Series 2023A Bonds, the] “Bonds”). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Agreement.

In connection with our role as bond and disclosure counsel to the District we have reviewed each of the documents listed on Schedule I attached hereto, and such other documents, certificates opinions and matters to the extent we deemed necessary to provide the opinions or conclusions set forth herein.

The opinions and conclusions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions or conclusions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted, or events do occur or any other matters come to our attention after the date hereof. We have assumed the genuineness of all documents and signatures provided to us and the due and legal execution and delivery thereof by, and validity against, any parties other than the District. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions, referred to in the second paragraph hereof. We have further assumed compliance with all covenants and agreements contained in such documents. In addition, we call attention to the fact that the rights and obligations under the Agreement and their enforceability may be subject to bankruptcy, insolvency, reorganization, receivership, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against governmental entities such as the District in the State of California. We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute or to have the effect of a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the foregoing documents, nor do we express any opinion with respect to the state or quality of title to or interest in any of the assets described in or as subject to the lien of the resolution of the Board of Education of the District adopted on [October 11], 2023, or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such assets. Our services did not include financial or other non-legal advice.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions and conclusions:

1. The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Paying Agent Agreement is exempt from qualification under the Trust Agreement Act of 1939, as amended.

2. The Invitation to Tender is exempt from the provisions of Section 14(d) of the Securities Exchange Act of 1934, as amended, Regulations 14D and 14E of the Securities and Exchange Commission and the related rules promulgated thereunder.

3. The statements contained in the Invitation to Tender under the caption "Certain Federal Income Tax Consequences" insofar as such statements expressly summarize certain matters of U.S. federal income tax law and regulations are accurate in all material respects.

4. We are not passing upon and do not assume any responsibility for the accuracy (except as explicitly stated in paragraph 3 above), completeness or fairness of any of the statements contained in the Invitation to Tender, and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements. In our capacity as disclosure counsel to the District in connection with the Invitation to Tender, we participated in conferences with your representatives, your counsel, representatives of the District, District's counsel, and others, during which conferences the contents of the Invitation to Tender and related matters were discussed. Based on our participation in the above-referenced conferences, and in reliance thereon, on oral and written statements and representations of the District and others and on the records, documents, certificates, opinions and matters herein mentioned, subject to the limitations on our role as disclosure counsel to the District, we advise you as a matter of fact and not opinion that no facts came to the attention of the attorneys in our firm rendering

legal services with respect to the Invitation to Tender which caused us to believe as of the date of the Invitation to Tender, based on the documents, drafts and facts in existence and reviewed as of that date that the Invitation to Tender contained any untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that we expressly exclude from the scope of this paragraph and express no view with respect to the Invitation to Tender about any CUSIP numbers, financial, accounting, statistical or economic, engineering or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any information about verification, any management discussion and analysis, any statements about compliance with prior continuing disclosure undertakings, any information concerning litigation, any information about book-entry, DTC or ATOP (each as defined in the Invitation to Tender), ratings or rating agencies, the information agent, tender agent, dealer manager, underwriter or underwriting, the information contained in Appendices A, C, F, G, [and H] to the Preliminary Official Statement attached to the Invitation to Tender. No responsibility is undertaken or conclusion expressed with respect to any other disclosure document, materials or activity, or as to any information from another document or source referred to by or incorporated by reference in the Invitation to Tender.

This letter is furnished by us as bond and disclosure counsel to the District. No attorney-client relationship has existed or exists between our firm and you in connection with the Target Bonds, the Bonds or by virtue of this letter. We disclaim any obligation to update this letter. This letter is delivered to you as Dealer Manager for the Target Bonds, is solely for your benefit as such and is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to, and may not, be relied upon by owners of the Target Bonds, owners of the Bonds or by any other party to whom it is not specifically addressed.

Very truly yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP

SCHEDULE I

DOCUMENTS REVIEWED

1. The Agreement;
2. The Invitation to Tender, dated [October __], 2023;
3. The tender/exchange solicitation offer letter from the District, dated [October __], 2023;
4. Resolution No. 1415-1183 of the Board of Education of the District, adopted on June 24, 2015, authorizing the issuance of the 2015A Bonds;
5. Resolution No. 2015-264 of the Board of Supervisors of the County, adopted on July 21, 2015, authorizing the issuance of the 2015A Bonds;
6. Resolution No. 1516-0246 of the Board of Education of the District, adopted on June 22, 2016, authorizing the issuance of the 2016A Bonds;
7. Resolution No. 1516-0245 of the Board of Education of the District, adopted on June 22, 2016, authorizing the issuance of the 2016 Refunding Bonds;
8. Resolution No. 1617-0169 of the Board of Education of the District, adopted on April 26, 2017, authorizing the issuance of the 2017B Refunding Bonds, the 2017C Refunding Bonds and the 2017D Refunding Bonds;
9. Resolution No. 1819-0188 of the Board of Education of the District, adopted on April 24, 2019, authorizing the issuance of the 2019A Bonds;
10. Resolution No. R-2019-214 of the Board of Supervisors of the County, adopted on May 21, 2019, authorizing the issuance of the 2019A Bonds;
11. Resolution No. R-2000-436 of the Board of Supervisors of the County, adopted on March 14, 2000;
12. The Paying Agent Agreement, dated as of August 1, 2015, by and between the District and U.S. Bank National Association, as succeeded by U.S. Bank Trust Company, National Association, as paying agent, relating to the 2015A Bonds;
13. The Paying Agent Agreement, dated as of August 1, 2015, by and between the District and U.S. Bank National Association, as succeeded by U.S. Bank Trust Company, National Association, as paying agent, relating to the 2015 Refunding Bonds;
14. The Paying Agent Agreement, dated as of August 1, 2016, by and between the District and U.S. Bank National Association, as succeeded by U.S. Bank Trust Company, National Association, as paying agent, relating to the 2016A Bonds;
15. The Paying Agent Agreement, dated as of August 1, 2016, by and between the District and U.S. Bank National Association, as succeeded by U.S. Bank Trust Company, National Association, as paying agent, relating to the 2016 Refunding Bonds;

16. The Paying Agent Agreement, dated as of May 1, 2017, by and between the District and U.S. Bank National Association, as succeeded by U.S. Bank Trust Company, National Association, as paying agent, relating to the 2017B Refunding Bonds, the 2017C Refunding Bonds and the 2017D Refunding Bonds;
17. The Paying Agent Agreement, dated as of August 1, 2019, by and between the District and U.S. Bank National Association, as succeeded by U.S. Bank Trust Company, National Association, as paying agent, relating to the 2019A Bonds;
18. The resolution of the Board of Education of the District, adopted on [October 11], 2023, authorizing the issuance of the Bonds;
19. The Paying Agent Agreement, dated as of November 1, 2023, between the District and U.S. Bank Trust Company, National Association, related to the Bonds; and
20. [An opinion of General Counsel to the District dated the date hereof.]

ATTACHMENT A
INVITATION TO TENDER BONDS

ESCROW AGREEMENT

by and between the

OAKLAND UNIFIED SCHOOL DISTRICT
County of Alameda, California

and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Escrow Agent

Dated as of November 1, 2023

RELATING TO:

OAKLAND UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION BONDS
SET FORTH IN SCHEDULE II ATTACHED HERETO

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ESCROW AGREEMENT

This ESCROW AGREEMENT (the “Escrow Agreement”), dated as of November 1, 2023, is by and between the OAKLAND UNIFIED SCHOOL DISTRICT (the “District”), a school district duly organized and existing under the Constitution and laws of the State of California, and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION (the “Escrow Agent”), a national banking association duly organized and existing under the laws of the United States of America, being qualified to accept and administer the trust hereby created, executed and delivered by the District pursuant to a resolution adopted by the Board of Education of the District on October 11, 2023.

WITNESSETH

WHEREAS, U.S. Bank Trust Company, National Association, acting as paying agent (the “Paying Agent”) under that certain Paying Agent Agreement, dated as of November 1, 2023 (the “Paying Agent Agreement”), between the District and the Paying Agent, and acknowledged by the Treasurer-Tax Collector of the County of Alameda (the “County”), duly authenticated and delivered \$[2023B Par] principal amount of Oakland Unified School District General Obligation Refunding Bonds, Series 2023B (Federally Taxable) (the “Refunding Bonds”), for the purpose, among others, of providing funds for the defeasance of all or a portion of the outstanding bonds as follows:

<u>Issue Name</u>	<u>Date of Issuance</u>	<u>Original Issuance Amount</u>	<u>Outstanding Amount</u>	<u>Expected Optional Redemption Date</u>
Oakland Unified School District General Obligation Bonds (Election of 2012), Series 2015A (the “2015A Bonds”)	August 20, 2015	\$173,500,000	[\$2015A Outstanding]	August 1, 2025
Oakland Unified School District 2015 General Obligation Refunding Bonds (the “2015 Refunding Bonds”)	August 20, 2015	\$168,705,000	[\$2015 Refunding Outstanding]	August 1, 2025
Oakland Unified School District General Obligation Bonds (Election of 2006), Series 2016A (the “2016A Bonds”)	August 17, 2016	\$65,000,000	[\$2016A Outstanding]	August 1, 2026
Oakland Unified School District 2016 General Obligation Refunding Bonds (the “2016 Refunding Bonds”)	August 17, 2016	\$155,780,000	[\$2016 Refunding Outstanding]	August 1, 2026
Oakland Unified School District General Obligation Refunding Bonds, (Measure B) 2017 Series B (the “2017B Refunding Bonds”)	May 25, 2017	\$24,155,000	[\$2017B Refunding Outstanding]	August 1, 2027
Oakland Unified School District	May 25, 2017	\$82,930,000	[\$2017C	August 1, 2027

General Obligation Refunding Bonds, (Measure J) 2017 Series C (the “2017C Refunding Bonds”)			Refunding Outstanding]	
Oakland Unified School District General Obligation Crossover Refunding Bonds, (Measure B) 2017 Series D (Taxable) (the “2017D Refunding Bonds”)	May 25, 2017	\$75,420,000	[\$2017D Refunding Outstanding]	August 1, 2027
Oakland Unified School District General Obligation Bonds (Election of 2012), Series 2019A (the “2019A Bonds”)	August 13, 2019	\$160,000,000	[\$2019A Outstanding]	August 1, 2027

WHEREAS, the refunded portion of the Outstanding Bonds, as identified in Schedule II attached hereto, are herein collectively called the “Prior Bonds”;

[WHEREAS, the Prior Bonds shall be defeased and redeemed pursuant to Resolution No. 2015-264, adopted by the Board of Supervisors of the County on July 21, 2015, Resolution No. 1415-1183, adopted by the Board of Education of the District on June 24, 2015, and a Paying Agent Agreement, dated as of August 1, 2015, each with respect to the 2015A Bonds; Resolution No. 1415-1182, adopted by the Board of Education of the District on June 24, 2015, and a Paying Agent Agreement, dated as of August 1, 2015, each with respect to the 2015 Refunding Bonds; Resolution: R-2000-436, adopted by the Board of Supervisors of the County on March 14, 2000, Resolution No. 1516-0246, adopted by the Board of Education of the District on June 22, 2016, and a Paying Agent Agreement, dated as of August 1, 2016, each with respect to the 2016A Bonds; Resolution No. 1516-0245, adopted by the Board of Education of the District on June 22, 2016, and a Paying Agent Agreement, dated as of August 1, 2016, each with respect to the 2016 Refunding Bonds; Resolution No. 1617-0169, adopted by the Board of Education of the District on April 26, 2017, and a Paying Agent Agreement, dated as of May 1, 2017, each with respect to the 2017B Refunding Bonds, the 2017C Refunding Bonds and the 2017D Refunding Bonds; and Resolution: R-2019-214, adopted by the Board of Supervisors of the County on May 21, 2019, Resolution No. 1819-0188, adopted by the Board of Education of the District on April 24, 2019, and a Paying Agent Agreement, dated as of August 1, 2019, each with respect to the 2019A Bonds (collectively, the “Prior Bond Documents”);]

WHEREAS, pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (the “Government Code”) and other applicable law, the District is authorized to issue the Refunding Bonds to refund the District’s Prior Bonds;

WHEREAS, U.S. Bank Trust Company, National Association is acting hereunder as escrow agent with respect to the Prior Bonds, and in such capacity is herein referred to as the “Escrow Agent”;

WHEREAS, the Paying Agent Agreement provides for the deposit in the Escrow Fund (established pursuant to Section 1 hereof) of certain of the proceeds of the Refunding Bonds and other moneys, if any;

WHEREAS, the District has taken action to cause to be issued to the Escrow Agent for deposit in or credit to said Escrow Fund certain cash, securities and investments consisting of certain U.S. Treasury obligations for which the faith and credit of the United States of America are directly pledged for the payment of principal and interest, as well as U.S. agency securities, none of which are subject to redemption prior to their respective stated maturities (the "Escrow Securities"), initially consisting of the securities and cash amounts as listed on Schedule I attached hereto and made a part hereof; and

WHEREAS, such investments, together with the initial cash deposit and the interest to accrue on such Escrow Securities, will be sufficient, as certified pursuant to a verification report dated the date of issuance of the Refunding Bonds (the "Verification Report") by [Causey Demgen & Moore P.C.], a certified public accountant licensed to practice in the State of California, to pay the amounts required pursuant to Section 3;

NOW, THEREFORE, the District and the Escrow Agent hereby agree as follows (capitalized terms used but not otherwise defined herein shall have the meanings ascribed thereto in the Paying Agent Agreement):

Section 1. Establishment and Maintenance of Escrow Fund; Deposit.

(a) The Escrow Agent hereby agrees to establish and maintain a fund until all of the Prior Bonds have been paid as provided herein, designated as the "Escrow Fund," to hold the securities, investments and moneys therein at all times as a special fund and separate trust account, until the redemption date for the Prior Bonds described in Section 3 hereof.

On the date of delivery of the Refunding Bonds, the Escrow Agent shall receive the amount of \$[Escrow Deposit], representing a portion of the proceeds of the sale of the Refunding Bonds, and shall deposit such amount in the Escrow Fund.

(b) All securities, investments and moneys in the Escrow Fund shall be used solely for making such payments and to purchase Escrow Securities, as set forth in Schedule I hereto. All securities, investments and moneys in the Escrow Fund are hereby irrevocably pledged, subject to the provisions of Section 2 and Section 6 hereof, to secure the payment of the Prior Bonds as provided herein.

Section 2. Investment of Money in the Escrow Fund. The Escrow Agent shall hold \$[Escrow Securities] in the Escrow Fund in the Escrow Securities listed in Schedule I hereto issued and registered in the name of the Escrow Agent, for the account of the Escrow Fund, and hold the remainder of \$[Cash] in cash. Except as set forth below, the Escrow Agent shall not reinvest any cash portion of the Escrow Fund; provided, however, that after obtaining an unqualified legal opinion of nationally recognized bond counsel that such reinvestment will not adversely affect the tax-exempt status of interest on the Prior Bonds under Section 103 of the Internal Revenue Code of 1986 and the regulations of the United States Department of the Treasury issued thereunder, and will not result in the breach of any covenant of the District

contained in the Prior Bond Documents or the Paying Agent Agreement, the Escrow Agent may reinvest, at the written direction of the District, any cash portion of the Escrow Fund in Escrow Securities. Any such reinvestment shall be made in Escrow Securities the principal of and interest on which are payable at such times and in such amounts as will be sufficient (together with the other securities, investments and moneys in the Escrow Fund) to pay the Prior Bonds, in accordance with Section 3 and consistent with the then-currently applicable report of a certified public accountant licensed to practice in the State of California, delivered with respect to the Escrow Fund. The Escrow Agent shall not be liable or responsible for any loss resulting from any investment made pursuant to this Escrow Agreement and in full compliance with the provisions hereof.

Section 3. Payment and Redemption of Prior Bonds.

The District hereby irrevocably directs the Escrow Agent, and the Escrow Agent hereby agrees, to collect and deposit in the Escrow Fund the principal of and interest on all Escrow Securities held for such fund promptly as such principal and interest become due, and to apply such principal and interest, together with other moneys, if any, and the principal of and interest on other securities deposited in the Escrow Fund as follows:

(i) To the payment of the principal of and interest on and redemption price of the Prior Bonds that are 2015A Bonds and 2015 Refunding Bonds when due through August 1, 2025.

(ii) To the payment of the principal of and interest on and redemption price of the Prior Bonds that are 2016A Bonds and 2016 Refunding Bonds when due through August 1, 2026.

(iii) To the payment of the principal of and interest on and redemption price of the Prior Bonds that are 2017B Refunding Bonds, 2017C Refunding Bonds, 2017D Refunding Bonds and 2019A Bonds when due through August 1, 2027.

Upon retirement or redemption or prepayment of all of the Prior Bonds, the Escrow Agent shall transfer any moneys or securities remaining in the Escrow Fund, to the extent not required for any fees or expenses of the Escrow Agent, to the interest and sinking fund of the District (held by the Treasurer-Tax Collector of the County of Alameda), for payment of the Refunding Bonds or any other general obligation bonds of the District payable from said fund.

The maturity schedule of the Prior Bonds is set forth in Schedule II.

Section 4. Notice of Redemption. The District hereby irrevocably directs the Escrow Agent, in its capacity as Paying Agent for the Prior Bonds, and the Escrow Agent agrees, to give all required notices of the redemption, defeasance (substantially in the forms attached hereto as Exhibit A and Exhibit B), and payment of the Prior Bonds scheduled to take place on the dates given in Section 3, in the time, form and manner specified by the Prior Bond Documents and any continuing disclosure certificate relating to the Prior Bonds, but in every case notice shall be sent at least 30 days prior to the redemption date set forth therein, and to post such notice electronically to the Electronic Municipal Market Access system at www.emma.msrb.org.

Section 5. Possible Deficiencies. If at any time the Escrow Agent shall have actual notice that the moneys in the Escrow Fund will not be sufficient to make all payments required by Section 3 hereof from such Escrow Fund, the Escrow Agent shall notify the District in writing as soon as reasonably practicable of such fact and the amount of such deficiency. The Escrow Agent shall in no manner be responsible for any deficiencies in the Escrow Fund, other than as a result of its own negligence or willful misconduct. The Escrow Agent may conclusively rely on the report of a nationally recognized firm of independent certified public accountants delivered with respect to the Escrow Fund as to the sufficiency of the principal of and interest on the Escrow Securities to pay the amounts payable on the Prior Bonds prior to redemption, in accordance with Section 3.

Section 6. Unclaimed Moneys. Any moneys held in trust by the Escrow Agent for the payment and discharge of the Prior Bonds which remain unclaimed for two years after the date when such Prior Bonds are to have been retired or redeemed in accordance with Section 3 shall be transferred to the interest and sinking fund of the District (without liability for interest) for payment of any outstanding bonds of the District payable from said fund; or, if no such bonds of the District are at such time outstanding, said moneys shall be transferred to the general fund of the District as provided and permitted by law.

Section 7. Substitution of Securities. Upon the written request of the District, subject to the conditions and limitations hereinafter set forth and applicable laws and regulations, the Escrow Agent shall sell, redeem or otherwise dispose of the Escrow Securities in the Escrow Fund, if any, if there are substituted therefor, from the proceeds of such securities, other Escrow Securities as hereinafter provided. The District will not exercise any powers which would have the effect of causing any of the Refunding Bonds to be "arbitrage bonds" as defined in Section 148 of the Internal Revenue Code of 1986 and the regulations of the United States Department of the Treasury issued thereunder. The Escrow Agent shall dispose of the securities in the Escrow Fund and purchase substitute Escrow Securities only upon receipt of:

(a) a written report of a certified public accountant, licensed to practice in the State of California, to the effect that the substitute Escrow Securities will mature in such principal amounts and earn interest in such amounts and at such times so that sufficient moneys will be available to pay, as the same become due, to and including the date of redemption of the Prior Bonds as set forth in Section 3, all principal, premium, if any, and interest on such Prior Bonds; and

(b) prior written consent of the Bond Insurer, if any (as defined in the Paying Agent Agreement).

Section 8. Fees and Expenses of Escrow Agent. The District, by this Escrow Agreement, agrees to pay amounts equal to the reasonable fees and expenses (including, without limitation, legal fees and expenses) of the Escrow Agent incurred as a result of this Escrow Agreement and the acceptance thereof by the Escrow Agent; provided, however, that in no event shall such fees or expenses incurred by the Escrow Agent be deducted from, or constitute a lien against, the Escrow Fund until the retirement or redemption of the Prior Bonds pursuant to Section 3 hereof.

Section 9. Liabilities and Obligations of Escrow Agent. (a) The Escrow Agent shall have no obligation to make any payments or disbursement of any type, risk or advance its own funds, or incur any financial liability in the performance of its duties under this Escrow Agreement unless the District shall have deposited sufficient funds therefor with the Escrow Agent. The Escrow Agent may rely and shall be protected in acting upon the written instructions of the District or its agents relating to any matter or action as Escrow Agent under this Escrow Agreement.

(b) The District covenants to indemnify and hold harmless the Escrow Agent and its officers, directors, agents or employees against any loss, liability, claim, cost, suit, judgment or expense, including legal fees and expenses, incurred in connection with the performance of any of its duties hereunder, except the Escrow Agent shall not be indemnified against any loss, liability, claim, suit, judgment or expense resulting from its negligence or willful misconduct. This Section 9(b) shall survive the termination of this Escrow Agreement and the earlier removal or resignation of the Escrow Agent.

(c) The Escrow Agent may consult with counsel of its own choice (which may be counsel to the District) and the opinion of such counsel shall be full and complete authorization to take or suffer in good faith any action in accordance with such opinion of counsel.

(d) The recitals contained herein shall be taken as the statements of the District, and the Escrow Agent assumes no responsibility for their correctness.

(e) The Escrow Agent shall not be liable for the accuracy of any calculations provided as to the sufficiency of the moneys or Escrow Securities, if any, deposited with it to pay the principal, interest or premiums, if any, on the Prior Bonds.

(f) The Escrow Agent shall not be liable for any action or omission of the District under this Escrow Agreement, the Prior Bond Documents or the Paying Agent Agreement.

(g) Whenever in the administration of this Escrow Agreement the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of negligence or willful misconduct on the part of the Escrow Agent, be deemed to be conclusively proved and established by a certificate of an authorized representative of the District, and such certificate shall, in the absence of negligence or willful misconduct on the part of the Escrow Agent, be full warrant to the Escrow Agent for any action taken or suffered by it under the provisions of this Escrow Agreement upon the faith thereof.

(h) The Escrow Agent may conclusively rely, as to the truth or accuracy of the statements and correctness of the opinions and calculations provided, and shall be protected and indemnified, in acting, or refraining from acting, upon any written notice (including notice given by electronic means), instruction, request, certificate, document or opinion furnished to the

Escrow Agent signed or presented by the proper party, and it need not investigate any fact or matter stated in such notice, instruction, request, certificate or opinion.

(i) The Escrow Agent may at any time resign by giving written notice to the District of such resignation. The District shall promptly appoint a successor Escrow Agent by the resignation date. Resignation of the Escrow Agent will be effective only upon acceptance of appointment by a successor Escrow Agent. If the District does not appoint a successor within 30 days of the Escrow Agent's giving notice of resignation, or the District giving notice of the removal of the Escrow Agent, the Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor Escrow Agent, which court may thereupon, after such notice, if any, as it may deem proper and prescribe, and as may be required by law, appoint a successor Escrow Agent. After receiving a notice of resignation of an Escrow Agent, the District may appoint a temporary Escrow Agent to replace the resigning Escrow Agent until the District appoints a successor Escrow Agent. Any such temporary Escrow Agent so appointed by the District shall immediately and without further act be replaced by the successor Escrow Agent so appointed.

(j) The Escrow Agent undertakes to perform such duties and only such duties as are specifically set forth in this Escrow Agreement, and no implied covenants or obligations shall be read into this Escrow Agreement against the Escrow Agent. Neither the Escrow Agent nor any of its officers, directors, employees or agents shall be liable for any action taken or omitted under this Escrow Agreement or in connection herewith except to the extent caused by the Escrow Agent's negligence or willful misconduct, as determined by the final judgment of a court of competent jurisdiction, no longer subject to appeal or review. The Escrow Agent may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care, and shall not be responsible for any willful misconduct or negligence on the part of any agent, attorney, custodian or nominee so appointed. Anything in this Escrow Agreement to the contrary notwithstanding, in no event shall the Escrow Agent be liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action.

(k) The Escrow Agent shall not be liable to the parties hereto or deemed in breach or default hereunder if and to the extent its performance hereunder is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the Escrow Agent and could not have been avoided by exercising due care. Force majeure shall include acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics or other similar occurrences.

(l) The Escrow Agent agrees to accept and act upon instructions or directions pursuant to this Escrow Agreement sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that, the Escrow Agent shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the District elects to give the Escrow Agent e-mail or facsimile

instructions (or instructions by a similar electronic method) and the Escrow Agent in its discretion elects to act upon such instructions, the Escrow Agent's understanding of such instructions shall be deemed controlling. The Escrow Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Agent's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The District agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Escrow Agent, including without limitation the risk of the Escrow Agent acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Section 10. Merger or Consolidation. Any company into which the Escrow Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Escrow Agent may sell or transfer all or substantially all of its corporate trust business shall be the successor to such Escrow Agent, without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

Section 11. Amendment. This Escrow Agreement may not be revoked or amended by the parties hereto unless there shall first have been filed with the District and the Escrow Agent (i) a written opinion of nationally recognized bond counsel stating that such amendment will not adversely affect the exclusion from gross income for federal income tax purposes of interest evidenced by the Prior Bonds, and (ii) unless such amendment is not materially adverse to the interests of the registered owners of the Prior Bonds, as evidenced by an opinion of counsel, the written consent of all the registered owners of the Prior Bonds then outstanding.

Section 12. Notices. All notices and communications hereunder shall be in writing and shall be deemed to be duly given if received or sent by first class mail, as follows. Any written instruction given hereunder may be given by fax or other electronic means:

If to the District:

Oakland Unified School District
1011 Union Street
Oakland, CA 94607
Attn: Chief Financial Officer

If to the Escrow Agent:

U.S. Bank Trust Company, National Association
One California Street, Suite 1000
San Francisco, CA 94111
Attn: Global Corporate Trust Services

Section 13. Severability. If any section, paragraph, sentence, clause or provision of this Escrow Agreement shall for any reason be held to be invalid or unenforceable,

the invalidity or unenforceability of such section, paragraph, sentence, clause or provision shall not affect any of the remaining provisions of this Escrow Agreement.

Section 14. Governing Law. This Escrow Agreement shall be construed and governed in accordance with the laws of the State of California.

Section 15. Execution. This Escrow Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all together shall constitute but one and the same agreement.

IN WITNESS WHEREOF, the Oakland Unified School District and the Escrow Agent have caused this Escrow Agreement to be executed each on its behalf as of the day and year first above written.

OAKLAND UNIFIED SCHOOL DISTRICT

By: _____
Authorized District Representative

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION, as Escrow Agent

By: _____
Authorized Officer

SCHEDULE I
ESCROW SECURITIES

1. CASH in the amount of \$[Cash].
2. Securities as shown in the schedules below (from Verification Report).

[To come]

SCHEDULE II

SCHEDULES OF BONDS TO BE DEFEASED

\$173,500,000

**Oakland Unified School District
General Obligation Bonds (Election of 2012), Series 2015A**

<u>Maturity Date (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
	\$	%

*

* Term Bond

\$168,705,000

**Oakland Unified School District
2015 General Obligation Refunding Bonds**

<u>Maturity Date (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
	\$	%

*

* Term Bond

\$65,000,000

**Oakland Unified School District
General Obligation Bonds (Election of 2006), Series 2016A**

<u>Maturity Date (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
	\$	%

*

* Term Bond

\$155,780,000
Oakland Unified School District
2016 General Obligation Refunding Bonds

<u>Maturity Date (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
	\$	%

*

* Term Bond

\$24,155,000
Oakland Unified School District
General Obligation Refunding Bonds,
(Measure B) 2017 Series B

<u>Maturity Date (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
	\$	%

*

* Term Bond

\$82,930,000
Oakland Unified School District
General Obligation Refunding Bonds,
(Measure J) 2017 Series C

Maturity Date (August 1)	Principal Amount	Interest Rate
	\$	%

*

* Term Bond

\$75,420,000
Oakland Unified School District
General Obligation Crossover Refunding Bonds,
(Measure B) 2017 Series D (Taxable)

Maturity Date (August 1)	Principal Amount	Interest Rate
	\$	%

*

* Term Bond

\$160,000,000
Oakland Unified School District
General Obligation Bonds
(Election of 2012), Series 2019A

Maturity Date (August 1)	Principal Amount	Interest Rate
	\$	%

*

* Term Bond

SCHEDULE III
SCHEDULE OF ESCROW REQUIREMENTS

[To come]

EXHIBIT A

FORM OF NOTICE OF REDEMPTION

[Subject to completion]

Oakland Unified School District
[Bond Caption]

Issue Date: [Issue Date]

<u>Maturity Date</u> (August 1)	<u>Refunded</u> <u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP*</u> (672325)
	\$	%	

*

* Term Bond

NOTICE IS HEREBY GIVEN, pursuant to [Resolution No. [____]], adopted by the Board of Supervisors of the County of Alameda on [County Resolution Date], and] Resolution No. [____-____], adopted by the Board of Education of the Oakland Unified School District (the “District”) on [District Resolution Date], that the District has called for redemption of the above-referenced bonds (the “Bonds”) on August 1, 20[___] (the “Redemption Date”) at a redemption price equal to 100% of the principal amount plus accrued interest to the Redemption Date (the “Redemption Price”). The Bonds shall become due and payable on the Redemption Date at the Redemption Price. From and after the Redemption Date, interest shall cease to accrue and be payable on the Bonds and the Bonds shall be surrendered.

Notice of a failure to receive funds, and cancellation of this redemption, shall be given by the Paying Agent by publication to EMMA and by first class mail, postage prepaid, to the registered holders of the Bonds.

Payment of the Redemption Price on the Bonds called for redemption will be paid only upon presentation and surrender of the Bonds at the address listed below (if delivery is by mail, registered mail with return receipt requested is recommended):

Delivery Instructions:

U.S. Bank Trust Company, National Association
Global Corporate Trust Services

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111 Fillmore Ave E
St. Paul, MN 55107

As the Bonds are currently issued in book-entry form, payment of the Redemption Price on the Bonds will automatically be paid to Cede & Co. as nominee of The Depository Trust Company, New York, New York on the Redemption Date.

Inquiries may be made by contacting U.S. Bank Trust Company, National Association's Bondholder Communications team at 1-800-934-6802.

IMPORTANT NOTICE

Federal law requires U.S. Bank Trust Company, National Association, as paying agent, to withhold taxes at the applicable rate from the payment if an IRS Form W-9 or applicable IRS Form W-8 is not provided. Please visit www.irs.gov for additional information on the tax forms and instructions.

Dated: _____, 2025

U.S. Bank Trust Company, National
Association,
as Paying Agent

EXHIBIT B

FORM OF NOTICE OF DEFEASANCE

The Oakland Unified School District (the “District”) hereby provides notice of the following material event related to the following bond issue:

**[\$[Prior Bonds Par]
Oakland Unified School District [Bond Caption] (the “Bonds”)]**

Each maturity of the Bonds relating to this notice (as defined below) is identified by the corresponding CUSIP number set forth below:

Maturity Date (August 1)	Principal Amount	Interest Rate	CUSIP*
_____	\$ _____	% _____	(672325) _____

*

* Term Bond

Material Event Notices:

Defeasance of Bonds. On [Closing Date], the District defeased the outstanding Bonds listed above, by depositing a portion of the proceeds of its Oakland Unified School District General Obligation Refunding Bonds, Series 2023B (Federally Taxable) (the “Refunding Bonds”) with U.S. Bank Trust Company, National Association (the “Paying Agent”), pursuant to a Paying Agent Agreement, dated as of November 1, 2023 (the “Paying Agent Agreement”), by and between the District and the Paying Agent. Under the terms of the Paying Agent Agreement, the Paying Agent deposits funds from the proceeds of the Refunding Bonds to the Escrow Fund (as defined in the Paying Agent Agreement) in an amount sufficient to provide for the redemption of the Bonds.

Unscheduled Bond Calls. The District has given the Paying Agent for the Bonds instructions to redeem the Bonds on August 1, 20[] (the “Redemption Date”), at a redemption price equal to 100% of the principal amount of the Bonds being refunded, plus accrued interest to the Redemption Date.

Other Matters:

This notice is provided pursuant to the Continuing Disclosure Certificate, dated as of [CDC Date]. The filing of this notice does not constitute or imply any representation regarding any other financial or operating information about the District or any representation that no other circumstances or events have occurred which may have a bearing on the District’s financial condition or an investor’s decision to buy, sell or hold the Bonds.

* CUSIP numbers are provided for convenience of reference only. The District does not take any responsibility for the accuracy of such numbers.

Dated: [Closing Date]

OAKLAND UNIFIED SCHOOL DISTRICT

By _____
Lisa Grant-Dawson
Chief Business Officer

INVITATION TO TENDER BONDS

made by

OAKLAND UNIFIED SCHOOL DISTRICT

to the Bondowners described herein of

all or any portion of the maturities listed on page (iii) through (vii) herein of the

**Oakland Unified School District
(County of Alameda, California)
General Obligation Bonds
(Election of 2012), Series 2015A**

**Oakland Unified School District
(County of Alameda, California)
General Obligation Refunding Bonds,
(Measure B) 2017 Series B**

**Oakland Unified School District
(County of Alameda, California)
2015 General Obligation Refunding Bonds**

**Oakland Unified School District
(County of Alameda, California)
General Obligation Refunding Bonds,
(Measure J) 2017 Series C**

**Oakland Unified School District
(County of Alameda, California)
General Obligation Bonds
(Election of 2006), Series 2016A**

**Oakland Unified School District
(County of Alameda, California)
General Obligation Crossover Refunding Bonds,
(Measure B) 2017 Series D (Taxable)**

**Oakland Unified School District
(County of Alameda, California)
2016 General Obligation Refunding Bonds**

**Oakland Unified School District
(County of Alameda, California)
General Obligation Bonds
(Election of 2012), Series 2019A**

This Invitation to Tender Bonds, dated [October 25], 2023 (as it may be amended or supplemented, this “**Invitation**”), describes an invitation made by the Oakland Unified School District (the “**District**”), with the assistance of Siebert Williams Shank & Co., LLC (the “**Dealer Manager**”), to the beneficial owners (the “**Bondowners**”) of the bonds listed and maturing on the dates set forth in the tables on page (iii) through and including (vii) (collectively, the “**Target Bonds**”) of this Invitation to tender such Target Bonds for cash purchase as follows:

(a) with respect to the federally taxable Target Bonds listed in Table 1 on page (iii) of this Offer (the “**Taxable Target Bonds**”), an offer price to be determined based on the applicable fixed spread (each, a “**Fixed Spread**”) to be added to the yield on the relevant benchmark United States Treasury Security (each, a “**Benchmark Treasury Security**”) plus accrued interest (from the most recent interest payment date to but excluding the Settlement Date (as hereinafter defined)) on the Taxable Target Bonds of the maturity corresponding thereto tendered for purchase; the “**Fixed Spread**” for each maturity and corresponding CUSIP of the Taxable Target Bonds is listed on page (iii) of this Invitation; and

(b) with respect to the federally tax-exempt Target Bonds listed in Table 2 on pages (iv)-(vii) of this Offer (the “**Tax-Exempt Target Bonds**”), an offer price to be determined as set forth in the applicable table.

The purchase of any Target Bonds pursuant to this Invitation is contingent on the issuance of the Oakland Unified School District 2023 General Obligation Refunding Bonds, Series 2023A (the “**Series 2023 Bonds**”), described in the Preliminary Official Statement of the District dated [October 25], 2023 and attached hereto as **Appendix A** (the “**Series 2023 Bonds POS**”) and is also subject to the terms of this Invitation and certain other conditions as described herein. Capitalized terms used and not defined in the body of this Invitation shall have the meanings ascribed to such terms in the Series 2023 Bonds POS.

This Invitation is part of a plan by the District to refund a portion of the District’s outstanding indebtedness, as described in the Series 2023 Bonds POS. The District shall be under no obligation to accept any Target Bonds tendered for purchase pursuant to this Invitation. [The District, in its sole discretion, will select which, if any, Target Bonds to purchase of each maturity thereof.] Bondowners of Target Bonds who do not accept this Invitation and Bondowners of Target Bonds whose offers are rejected by the District will continue to own their Target Bonds.

To make an informed decision as to whether, and how, to offer Target Bonds for purchase pursuant to this Invitation, Bondowners must read this Invitation carefully, including the Series 2023 Bonds POS attached as **Appendix A**, and consult their broker-dealer, financial, legal, accounting, tax, and other professionals. **This Invitation shall constitute an invitation to Bondowners to offer to tender their Target Bonds for purchase.**

Key Dates and Times

*All of these dates and times are subject to change. All times are New York City time.
Notices of changes will be sent in the manner provided for in this Invitation.*

Launch Date.....	[Wednesday, October 25], 2023
Tender Expiration Date.....	5:00 PM on [Tuesday, November 7], 2023
Preliminary Notice of Acceptance.....	1:00 PM on [Wednesday, November 8], 2023
Determination of Target Bonds Purchase Price.....	Approximately 6:00 PM on [Wednesday, November 8], 2023
Notice of Target Bonds Purchase Price.....	Approximately 5:00 PM on [Thursday, November 9], 2023
Final Notice of Acceptance.....	1:00 PM on [Friday, November 10], 2023
Settlement Date.....	[Wednesday, November 22], 2023

The Dealer Manager
for this Invitation is
Siebert Williams Shank & Co., LLC

The Information Agent and Tender Agent
for this Invitation is
Globic Advisors Inc.

TARGET BONDS SUBJECT TO TENDER OFFER

TABLE 1 – TAXABLE TARGET BONDS

OAKLAND UNIFIED SCHOOL DISTRICT
(County of Alameda, California)
General Obligation Crossover Refunding Bonds, (Measure B) 2017 Series D (Taxable)

CUSIP No.⁽¹⁾ (672325)	Maturity Date (August 1)	Interest Rate	Original Principal Amount	Outstanding Principal Amount	Optional Redemption Date	Benchmark Treasury Security⁽²⁾	Benchmark UST Rate as of COB on [October 25], 2023⁽³⁾	Fixed Spreads	Illustrative Purchase Yield⁽³⁾
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⁽¹⁾ CUSIP is a registered trademark of the American Bankers Association. CUSIP information herein is provided by CUSIP Global Services, managed on behalf of the American Bankers Association by FactSet Research Systems Inc. This information is not intended to create a database and does not serve in any way as a substitute for CUSIP Global Services. CUSIP numbers are provided for convenience of reference only. None of the District, the County, the Dealer Manager, the Information Agent and Tender Agent or their respective agents or counsel assumes responsibility for the accuracy of such numbers.

⁽²⁾ Each Benchmark Treasury Security will be the most recently issued “on-the-run” United States Treasury Security for the maturity indicated and expected to be auctioned on the date indicated. The yield on the Benchmark Treasury Security to be used in establishing the Purchase Yield and the Purchase Price for the Bonds will be based on the bid-side price of the Benchmark Treasury Security as quoted on the Bloomberg Bond Trader FIT series of pages at 2:00 PM on [October 25], 2023.

⁽³⁾ Preliminary, subject to change.

TABLE 2 – TAX-EXEMPT TARGET BONDS
Oakland Unified School District
(County of Alameda, California)
General Obligation Bonds (Election of 2012), Series 2015A

CUSIP No.⁽¹⁾ (672325)	Maturity Date (August 1)	Interest Rate	Original Principal Amount	Outstanding Principal Amount	Purchase Price as a Percentage of Par⁽²⁾	Optional Redemption Date
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Oakland Unified School District
(County of Alameda, California)
2015 General Obligation Refunding Bonds

CUSIP No.⁽¹⁾ (672325)	Maturity Date (August 1)	Interest Rate	Original Principal Amount	Outstanding Principal Amount	Purchase Price as a Percentage of Par⁽²⁾	Optional Redemption Date
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⁽¹⁾ CUSIP is a registered trademark of the American Bankers Association. CUSIP information herein is provided by CUSIP Global Services, managed on behalf of the American Bankers Association by FactSet Research Systems Inc. This information is not intended to create a database and does not serve in any way as a substitute for CUSIP Global Services. CUSIP numbers are provided for convenience of reference only. None of the District, the County, the Dealer Manager, the Information Agent and Tender Agent or their respective agents or counsel assumes responsibility for the accuracy of such numbers.

⁽²⁾ The Purchase Price to be paid on the Settlement Date excludes earned but unpaid interest on the Tax-Exempt Target Bonds tendered for purchase, which interest will be paid to but not including the Settlement Date in addition to the Purchase Price.

**Oakland Unified School District
(County of Alameda, California)
General Obligation Bonds (Election of 2006), Series 2016A**

CUSIP No.⁽¹⁾ (672325)	Maturity Date (August 1)	Interest Rate	Original Principal Amount	Outstanding Principal Amount	Purchase Price as a Percentage of Par⁽²⁾	Optional Redemption Date
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**Oakland Unified School District
(County of Alameda, California)
2016 General Obligation Refunding Bonds**

CUSIP No.⁽¹⁾ (672325)	Maturity Date (August 1)	Interest Rate	Original Principal Amount	Outstanding Principal Amount	Purchase Price as a Percentage of Par⁽²⁾	Optional Redemption Date
---	-------------------------------------	--------------------------	--	---	--	---

⁽¹⁾ CUSIP is a registered trademark of the American Bankers Association. CUSIP information herein is provided by CUSIP Global Services, managed on behalf of the American Bankers Association by FactSet Research Systems Inc. This information is not intended to create a database and does not serve in any way as a substitute for CUSIP Global Services. CUSIP numbers are provided for convenience of reference only. None of the District, the County, the Dealer Manager, the Information Agent and Tender Agent or their respective agents or counsel assumes responsibility for the accuracy of such numbers.

⁽²⁾ The Purchase Price to be paid on the Settlement Date excludes earned but unpaid interest on the Tax-Exempt Target Bonds tendered for purchase, which interest will be paid to but not including the Settlement Date in addition to the Purchase Price.

**Oakland Unified School District
(County of Alameda, California)
General Obligation Refunding Bonds, (Measure B) 2017 Series B**

CUSIP No.⁽¹⁾ (672325)	Maturity Date (August 1)	Interest Rate	Original Principal Amount	Outstanding Principal Amount	Purchase Price as a Percentage of Par⁽²⁾	Optional Redemption Date
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**Oakland Unified School District
(County of Alameda, California)
General Obligation Refunding Bonds, (Measure J) 2017 Series C**

CUSIP No.⁽¹⁾ (672325)	Maturity Date (August 1)	Interest Rate	Original Principal Amount	Outstanding Principal Amount	Purchase Price as a Percentage of Par⁽²⁾	Optional Redemption Date
---	-------------------------------------	--------------------------	--	---	--	---

⁽¹⁾ CUSIP is a registered trademark of the American Bankers Association. CUSIP information herein is provided by CUSIP Global Services, managed on behalf of the American Bankers Association by FactSet Research Systems Inc. This information is not intended to create a database and does not serve in any way as a substitute for CUSIP Global Services. CUSIP numbers are provided for convenience of reference only. None of the District, the County, the Dealer Manager, the Information Agent and Tender Agent or their respective agents or counsel assumes responsibility for the accuracy of such numbers.

⁽²⁾ The Purchase Price to be paid on the Settlement Date excludes earned but unpaid interest on the Tax-Exempt Target Bonds tendered for purchase, which interest will be paid to but not including the Settlement Date in addition to the Purchase Price.

**Oakland Unified School District
(County of Alameda, California)
General Obligation Bonds (Election of 2012), Series 2019A**

<u>CUSIP No.⁽¹⁾ (672325)</u>	<u>Maturity Date (August 1)</u>	<u>Interest Rate</u>	<u>Original Principal Amount</u>	<u>Outstanding Principal Amount</u>	<u>Purchase Price as a Percentage of Par⁽²⁾</u>	<u>Optional Redemption Date</u>
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The Information Agent and Tender Agent for this Invitation is

GLOBIC ADVISORS INC.

Attention: Robert Stevens

(212) 227-9699, rstevens@globic.com

Document Website: [www.globic.com/\[OaklandUnifiedSchoolDistrict\]](http://www.globic.com/[OaklandUnifiedSchoolDistrict])

The Dealer Manager for this Invitation is

SIEBERT WILLIAMS SHANK & CO., LLC

Contact your Siebert Representative or
Edward Tishelman, Head of Sales and Trading

(212) 373-4226

etishelman@siebertwilliams.com

Any Bondowner wishing to offer Target Bonds for purchase pursuant to this Invitation must follow the procedures more fully described herein. Bondowners and their brokers and account executives with questions about this Invitation should contact the Dealer Manager or the Information Agent and Tender Agent.

This Invitation to Tender Bonds is dated [October 25], 2023.

IMPORTANT INFORMATION

This Invitation and other information with respect to this Invitation are available from the Dealer Manager and the Information Agent and Tender Agent at <http://emma.msrb.org> and [http://www.globic.com/\[OaklandUnifiedSchoolDistrict\]](http://www.globic.com/[OaklandUnifiedSchoolDistrict]). Bondowners wishing to offer their Target Bonds for purchase pursuant to this Invitation must follow the procedures more fully described herein. [The District reserves the right to cancel or modify this Invitation at any time on or prior to the Expiration Date and reserves the right to make a future invitation to tender bonds at prices different than the offer purchase prices described herein in its sole discretion.] The District will have no obligation to purchase Target Bonds offered pursuant to this Invitation. The District further reserves the right to waive any irregularities or defects in any offer received.

This Invitation is not being made to, and Target Bonds offered for purchase in response to this Invitation will not be accepted from or on behalf of, Bondowners in any jurisdiction in which this Invitation, the making of offers to sell Target Bonds or the acceptance thereof would not be in compliance with the laws of such jurisdiction. In those jurisdictions whose laws require this Invitation to be made through a licensed or registered broker or dealer, this Invitation is being made on behalf of the District by the Dealer Manager.

The District, the Dealer Manager, and the Information Agent and Tender Agent are not recommending to any Bondowner whether to offer their Target Bonds for purchase in connection with this Invitation. Each Bondowner must make these decisions and should read this Invitation and the Series 2023 Bonds POS, attached as **Appendix A**, in their entirety and consult with their broker-dealer, financial, legal, accounting, tax and other professionals in making these decisions.

No dealer, salesperson or other person has been authorized to give any information or to make any representation not contained in this Invitation, including **Appendix A** hereto, and, if given or made, such information or representation may not be relied upon as having been authorized by the District.

The delivery of this Invitation shall not under any circumstances create any implication that the information contained herein is correct as of any time subsequent to the date hereof or that there has been no change in the information set forth herein or in any attachments hereto or materials delivered herewith or in the affairs of the District since the date hereof.

This Invitation contains statements relating to future results that are “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. When used in this Invitation and other materials referred to or incorporated herein, the words “estimate”, “anticipate”, “forecast”, “project”, “intend”, “propose”, “plan”, “expect”, and similar expressions identify forward-looking statements. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material.

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INVITATION TO TENDER BONDS

made by

OAKLAND UNIFIED SCHOOL DISTRICT

to the Bondowners described herein of

all or any portion of the maturities listed on page (iii) through (vii) herein of the

**Oakland Unified School District
(County of Alameda, California)
General Obligation Bonds
(Election of 2012), Series 2015A**

**Oakland Unified School District
(County of Alameda, California)
General Obligation Refunding Bonds,
(Measure B) 2017 Series B**

**Oakland Unified School District
(County of Alameda, California)
2015 General Obligation Refunding Bonds**

**Oakland Unified School District
(County of Alameda, California)
General Obligation Refunding Bonds,
(Measure J) 2017 Series C**

**Oakland Unified School District
(County of Alameda, California)
General Obligation Bonds
(Election of 2006), Series 2016A**

**Oakland Unified School District
(County of Alameda, California)
General Obligation Crossover Refunding Bonds,
(Measure B) 2017 Series D (Taxable)**

**Oakland Unified School District
(County of Alameda, California)
2016 General Obligation Refunding Bonds**

**Oakland Unified School District
(County of Alameda, California)
General Obligation Bonds
(Election of 2012), Series 2019A**

INTRODUCTION

This Invitation to Tender Bonds, dated [October 25], 2023 (as it may be amended or supplemented, this “**Invitation**”), describes an invitation made by the Oakland Unified School District (the “**District**”), with the assistance of Siebert Williams Shank & Co., LLC (the “**Dealer Manager**”), to the beneficial owners (the “**Bondowners**”) of the District’s outstanding bonds listed and maturing on the dates set forth in the tables on page (iii) through and including (vii) (collectively, the “**Target Bonds**”) (collectively, the “**Target Bonds**”) to purchase such Target Bonds for cash (the “**Tender Offer**”) at the following offer prices:

(a) with respect to the federally taxable Target Bonds listed in Table 1 on page (iii) of this Offer (the “**Taxable Target Bonds**”), an offer price to be determined based on the applicable fixed spread (each, a “**Fixed Spread**”) to be added to the yield on the relevant benchmark United States Treasury Security (each, a “**Benchmark Treasury Security**”) plus accrued interest (from the most recent interest payment date to but excluding the Settlement Date (as hereinafter defined)) on the Taxable Target Bonds of the maturity corresponding thereto tendered for purchase; the “**Fixed Spread**” for each maturity and corresponding CUSIP of the Taxable Target Bonds is listed on page (iii) of this Invitation; and

(b) with respect to the federally tax-exempt Target Bonds listed in Table 2 on pages (iv)-(vii) of this Offer (the “**Tax-Exempt Target Bonds**”), an offer price to be determined as set forth in the applicable table.

All times in this Invitation are local time in New York City.

The purchase of any Target Bonds pursuant to this Invitation is contingent on the issuance of the Oakland Unified School District 2023 General Obligation Refunding Bonds, Series 2023A (the “**Series 2023 Bonds**”), and is also subject to the terms of this Invitation and certain other conditions as described herein.

The Target Bonds were issued pursuant to the Constitution and general laws of the State of California (the “**State**”), particularly Articles 4.5, 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State, as well as Chapters 1 and 1.5 of Part 10 of Division 1 of Title 1 of the Education Code of the State (together, the “**Act**”), authorizing resolutions of the District and the County of San Diego with respect to such Target Bonds, and paying agent agreements between the District and the paying agent for such Target Bonds.

This Invitation is part of a plan by the District to refinance some or all of the outstanding Target Bonds for debt service savings. **The District’s outstanding bonds of any series that are not identified in the table referred to above are not subject to this Invitation.** For additional information concerning the District, its plan of refunding and its outstanding indebtedness, see the Preliminary Official Statement of the District dated [October 25], 2023 and attached hereto as **Appendix A** (the “**Series 2023 Bonds POS**”).

Pursuant to this Invitation, each Bondowner may offer to tender to the District for purchase any or all Target Bonds, in a denomination of \$5,000 principal amount (the “**Minimum Authorized Denomination**”) or any integral multiple thereof, with respect to which the Bondowner has a beneficial ownership interest.

The applicable Fixed Spread for each maturity and corresponding CUSIP of the Taxable Target Bonds at which such Target Bonds may be tendered by a Bondowner for purchase pursuant to this Invitation is set forth on page (ii) hereof. The applicable purchase price for each maturity and corresponding CUSIP of the Target Bonds (each an “**Offer Purchase Price**”) will be determined as further described below in Section 1, “Information to Bondowners – *Tender Consideration*” herein.

The source of funds to purchase the Target Bonds validly tendered for purchase pursuant to this Invitation is anticipated to be proceeds of the Series 2023 Bonds to be issued on the Settlement Date. The payment of accrued interest on Target Bonds validly tendered for purchase is expected to be made from funds held by the County on behalf of the District for such purpose. The purchase of any of the Target Bonds tendered for purchase pursuant to this Invitation is contingent on the issuance of the Series 2023 Bonds. The District’s obligation to accept for purchase and to pay for Target Bonds validly tendered (and not withdrawn) pursuant to this Invitation is also subject to the satisfaction or waiver of certain conditions. See Section 12, “Conditions to Purchase,” for additional information regarding certain of such conditions.

Subject to the terms of this Invitation and the satisfaction of all conditions to the District’s obligation to purchase tendered Target Bonds as described herein, and provided that (i) a Bondowner’s Target Bonds tendered for purchase have been validly tendered by 5:00 PM on [November 7], 2023 (as may be extended from time to time in accordance with this Invitation, the “**Expiration Date**”), and (ii) accepted by the District on [November 8], 2023 (as may be extended from time to time in accordance with this Invitation, the “**Acceptance Date**”), the District will

purchase such Target Bonds tendered for purchase on [November 22], 2023 (the “**Settlement Date**”). Accrued interest on the Target Bonds purchased will also be paid on the Settlement Date.

No assurances can be given that the Series 2023 Bonds will be issued or that any Target Bonds tendered for purchase by a Bondowner will be purchased. See Section 8, “Acceptance of Tenders”, for more information on the selection of tendered Target Bonds to be purchased, if any. [The District reserves the right to amend or waive the terms of this Invitation as to any or all of the Target Bonds in any respect and at any time prior to the Expiration Date or from time to time, in its sole discretion.] The District also has the right to terminate this Invitation at any time up to and including the Expiration Date. See Section 13, “Extension, Termination and Amendment of Invitation”, below.

The District is under no obligation to accept any of the Target Bonds that are tendered for purchase pursuant to this Invitation as described in Section 8, “Acceptance of Tenders”. Any Target Bonds tendered by Bondowners pursuant to this Invitation but not accepted by the District will be returned to the Bondowners and will continue to be payable and secured under the terms of the Target Bond Ordinance until maturity or prior redemption. If all conditions to this Invitation are not satisfied or waived by the District on or prior to the Settlement Date, all Target Bonds tendered by Bondowners pursuant to this Invitation will be returned to the Bondowners and will continue to be payable and secured under the terms of the Target Bond Ordinance until maturity or prior redemption.

To make an informed decision as to whether, and how, to offer Target Bonds for purchase pursuant to this Invitation, a Bondowner must read this Invitation carefully and entirely, including the Series 2023 Bonds POS attached hereto as Appendix A.

None of the District, the Dealer Manager, or the Information Agent and Tender Agent (as defined below) makes any recommendation that any Bondowner tender or refrain from tendering all or any portion of such Bondowner’s Target Bonds for purchase. Bondowners must make these decisions and should consult with their broker-dealer, financial, legal, accounting, tax, and other professionals.

The Dealer Manager for this Invitation is Siebert Williams Shank & Co., LLC. Globic Advisors Inc. is serving as Information Agent and Tender Agent (the “**Information Agent and Tender Agent**”) in connection with this Invitation. Bondowners with questions about the substance of this Invitation should contact the Dealer Manager at the email address and telephone number set forth on page (iii) of this Invitation. Bondowners with questions about the mechanics of this Invitation should contact the Information Agent and Tender Agent at the email address and telephone number set forth on page (iii) of this Invitation.

1. Information to Bondowners.

General. The District will provide additional information about this Invitation, if any, to Bondowners of the Target Bonds, including, without limitation, any supplement to the Series 2023 Bonds POS, by delivery of such information in the following ways:

- (a) to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access system website, currently located at <http://emma.msrb.org> (the

“EMMA Website”), using the CUSIP numbers for the Target Bonds listed in the table on page (ii) of this Invitation;

(b) to DTC (defined below) and to the DTC participants holding the Target Bonds; and

(c) by posting electronically on the website of the Information Agent and Tender Agent at [www.globic.com/\[OaklandUnifiedSchoolDistrict\]](http://www.globic.com/[OaklandUnifiedSchoolDistrict]).

Delivery by the District of information in the foregoing manner will be deemed to constitute delivery of the information to each Bondowner of the Target Bonds. The District, the Dealer Manager, and the Information Agent and Tender Agent have no obligation to ensure that any such Bondowner actually receives any information provided by the District in this manner. Any such Bondowner who would like to receive information furnished by or on behalf of the District as described above must make appropriate arrangements with its broker, account executive or other financial advisor or representative.

Tender Consideration. The purchase prices or Fixed Spreads for each maturity and corresponding CUSIP of the Taxable Target Bonds tendered and accepted for purchase pursuant to this Invitation are listed on page (ii) hereof.

The applicable Fixed Spread represents the yield, expressed as an interest rate percentage added to the yield on the relevant Benchmark Treasury Security (set forth on page (ii) of this Invitation) to be used in establishing the Offer Purchase Price for each maturity and corresponding CUSIP of the Taxable Target Bonds. The applicable Fixed Spread will be added to the yield on the relevant Benchmark Treasury Security for each maturity and corresponding CUSIP. The yield on each Benchmark Treasury Security (the “**Treasury Security Yield**”) will be based on the bid-side price of the Benchmark Treasury Security as quoted on the Bloomberg Bond Trader FIT series of pages at 2:00 PM on [November 9], 2023. The applicable Fixed Spread for each maturity and corresponding CUSIP of the Taxable Target Bonds will be added to the relevant Treasury Security Yield corresponding thereto to arrive at a yield for each such maturity and CUSIP (each, a “**Purchase Yield**”).

The Purchase Yields will be used to calculate the Offer Purchase Prices for the Taxable Target Bonds. The Offer Purchase Prices will be calculated using the market standard bond pricing formulas (yield to worst) as of the Settlement Date using the relevant Purchase Yield and the maturity date for each of the Taxable Target Bonds.

2. Expiration Date; Offers Only Through Financial Institutions; Brokerage Commissions. This Invitation to tender Target Bonds will expire at 5:00 PM on [November 7], 2023, the Expiration Date, unless earlier terminated. Target Bonds received after 5:00 PM. on the Expiration Date will not be considered. See Section 13 for a discussion of the District’s ability to extend the Expiration Date and to terminate or amend this Invitation.

All of the Target Bonds are held in book-entry-only form through the facilities of The Depository Trust Company of New York (“**DTC**”). The Information Agent and Tender Agent and DTC have confirmed that this Invitation is eligible for submission of tenders for purchase through DTC’s Automated Tender Offer Program (known as the “**ATOP**” system). **Bondowners of**

Target Bonds who want to accept the District's Invitation to tender Target Bonds for purchase must do so through a DTC participant in accordance with the relevant DTC procedures for the ATOP system. The District will not accept any tenders of Target Bonds for purchase that are not made through the ATOP system. A Bondowner that is not a DTC participant can only tender Target Bonds for purchase pursuant to this Invitation by making arrangements with and instructing the bank or brokerage firm through which it holds Target Bonds (sometimes referred to herein as a "custodial intermediary") to tender the Bondowner's Target Bonds on its behalf through the ATOP system. To ensure a Bondowner's Target Bonds are tendered through the ATOP system by 5:00 PM on the Expiration Date, the Bondowner must provide instructions to its custodial intermediary in sufficient time for such custodial intermediary to tender the Target Bonds in accordance with DTC procedures through the ATOP system by this deadline. Each Bondowner wishing to tender Target Bonds should contact its custodial intermediary for information on when such custodial intermediary needs the Bondowner's instructions in order to tender the Bondowner's Target Bonds through the ATOP system by 5:00 PM on the Expiration Date. See also Section 5 below.

The District, the Dealer Manager, and the Information Agent and Tender Agent are not responsible for making or transmitting any tender of Target Bonds or for the transfer of any tendered Target Bonds through the ATOP system or for any mistakes, errors or omissions in the making or transmission of any offer or transfer.

Bondowners will not be obligated to pay any brokerage commissions or solicitation fees to the District, the Dealer Manager, or the Information Agent and Tender Agent in connection with this Invitation. However, Bondowners should check with their broker, account executive or other financial institution which maintains the account in which their Target Bonds are held to determine if it will charge any commission or fees.

3. Minimum Denominations and Consideration for Offers; Changes to the Terms of this Invitation.

Authorized Denominations for Offers. A Bondowner may tender, as aforesaid, all or a portion of its Target Bonds of a particular maturity and corresponding CUSIP in a principal amount of its choosing, but only in principal amounts equal to the Minimum Authorized Denomination or any integral multiple of \$5,000 in excess thereof.

Tender Consideration. Target Bonds may only be tendered for purchase by the District pursuant to this Invitation at the relevant purchase price or Fixed Spreads for each maturity and corresponding CUSIP set forth on page (ii) of this Invitation. The Offer Purchase Price for the Target Bonds tendered pursuant to this Invitation will be calculated using the market standard bond pricing formula as of the Settlement Date, with respect to the Taxable Target Bonds, based on the Purchase Yield corresponding to the maturity date of the Taxable Target Bond. In addition to the Offer Purchase Price of the Target Bonds accepted for purchase by the District, accrued interest on such Target Bonds will be paid by, or on behalf of, the District to the tendering Bondowners on the Settlement Date. The Offer Purchase Prices (and the accrued interest) will constitute the sole consideration payable by the District for Target Bonds purchased by the District pursuant to this Invitation.

Changes to Terms of this Invitation. As described in Section 13 hereof, the District may revise the terms of this Invitation prior to the Expiration Date. If the District determines to revise the terms of this Invitation, it shall provide notice thereof in the manner described in Section 1 of this Invitation no later than 11:00 AM on the Business Day prior to the Expiration Date. If the District increases the Fixed Spread for any of the Taxable Target Bonds pursuant to this Invitation (which would thereby reduce the related Offer Purchase Price), the District shall provide notice thereof (as described in Section 1) no less than three (3) Business Days prior to the Expiration Date, as extended. **In such event, any tenders of the affected Taxable Target Bonds prior to such change in the Fixed Spread for such Taxable Target Bonds pursuant to this Invitation will remain in full force and effect and each Bondowner of such affected Taxable Target Bonds wishing to revoke its tender of such Taxable Target Bonds must affirmatively withdraw its tender of such Taxable Target Bonds prior to the Expiration Date as described in Section 7 hereof.**

4. Provisions Applicable to all Offers. A Bondowner should ask its financial advisor, investment manager, broker or account executive for advice in determining whether to tender Target Bonds for purchase and the principal amount of Target Bonds to be tendered. A Bondowner should also inquire as to whether its financial institution will charge a fee for submitting tenders. The District, the Dealer Manager, and the Information Agent and Tender Agent will not charge fees to any tendering Bondowner or completing the purchase of Target Bonds.

A tender of Target Bonds cannot exceed the par amount of Target Bonds owned by the Bondowner. Target Bonds may be tendered and accepted for payment only in principal amounts equal to the Minimum Authorized Denomination and integral multiples of \$5,000 in excess thereof.

“All or none” tenders are not permitted. No alternative, conditional or contingent tenders will be accepted. All tenders shall survive the death or incapacity of the tendering Bondowner.

By tendering Target Bonds pursuant to this Invitation, each such Bondowner will be deemed to have represented and warranted to and agreed with the District and the Dealer Manager that:

(a) the Bondowner has received, and has had the opportunity to review, this Invitation (including the Series 2023 Bonds POS attached as **Appendix A** hereto) prior to making the decision as to whether or not it should tender its Target Bonds for purchase;

(b) the Bondowner has full authority to tender, sell, assign and transfer such Target Bonds, and that, on the Settlement Date, the District, as transferee, will acquire good title, free and clear of all liens, charges, encumbrances, conditional sales agreements or other obligations and not subject to any adverse claims, subject to payment to the Bondowner of the applicable Offer Purchase Price, plus payment of the accrued interest;

(c) the Bondowner has made an independent decision to tender, the appropriateness of the terms thereof, and whether the tender is appropriate for the Bondowner;

(d) such decisions are based upon the Bondowner's judgment and upon advice from such advisors as the Bondowner has consulted;

(e) the Bondowner is not relying on any communication from the District, the Dealer Manager, or the Information Agent and Tender Agent as investment advice or as a recommendation to make the offer, it being understood that the information from any of the foregoing related to the terms and conditions of this Invitation shall not be considered investment advice or a recommendation to tender Target Bonds; and

(f) the Bondowner is capable of assessing the merits of and understanding (on its own and/or through independent professional advice), and does understand and accept, the terms and conditions of this Invitation.

5. Transmission of Offers by Financial Institutions; DTC ATOP Procedures.

Tenders of Target Bonds pursuant to this Invitation may only be made through DTC's ATOP system. Bondowners that are not DTC participants must make their tenders through their custodial intermediary. A DTC participant must tender the Target Bonds on behalf of the Bondowner for whom it is acting pursuant to this Invitation, by book-entry through the ATOP system. In so doing, such custodial intermediary and the Bondowner on whose behalf the custodial intermediary is acting, agree to be bound by DTC's rules for the ATOP system. In accordance with ATOP procedures, DTC will then verify receipt of the tender offer and send an Agent's Message (as described below) to the Information Agent and Tender Agent.

The term "Agent's Message" means a message transmitted by DTC to, and received by, the Information Agent and Tender Agent, forming a part of the book-entry confirmation stating that DTC has received an express acknowledgement from the DTC participant tendering Target Bonds for purchase that are the subject of such book-entry confirmation that includes: (i) the par amount of the Target Bonds that have been tendered by such DTC participant on behalf of the Bondowner pursuant to this Invitation, and (ii) that the Bondowner agrees to be bound by the terms of this Invitation, including the representations, warranties, agreements and affirmations deemed made by it as set forth in Section 4 above.

Agent's Messages must be transmitted to and received by the Information Agent and Tender Agent by not later than 5:00 PM on the Expiration Date. Target Bonds will not be deemed to have been tendered for cash purchase pursuant to this Invitation until an Agent's Message with respect thereto is received by the Information Agent and Tender Agent.

Each DTC participant is advised to submit each beneficial owner's instruction individually into DTC's ATOP system to ensure proper settlement.

6. Determinations as to Form and Validity of Tenders; Right of Waiver and Rejection. All questions as to the validity (including the time of receipt of Agent's Messages by the Information Agent and Tender Agent), eligibility, and acceptance of any tenders of Target Bonds will be determined by the District in its sole discretion and will be final, conclusive and binding.

The District reserves the right to waive any irregularities or defects in any tender. The District, the Dealer Manager, and the Information Agent and Tender Agent are not obligated to

give notice of any defects or irregularities in tenders, and they will have no liability for failing to give such notice.

7. Withdrawals of Tenders Prior to Expiration Date; Irrevocability of Tenders on Expiration Date. A Bondowner may withdraw its tender of Target Bonds pursuant to this Invitation by causing a withdrawal notice to be transmitted via DTC's ATOP system to, and received by, the Information Agent and Tender Agent at or before 5:00 PM on the Expiration Date (as the date and time may have been changed as provided in this Invitation).

A Bondowner that is not a DTC participant can only withdraw its tender by making arrangements with and instructing the custodial intermediary through which it holds its Target Bonds to submit the Bondowner's notice of withdrawal through the DTC ATOP system.

All tenders of Target Bonds will become irrevocable as of 5:00 PM on the Expiration Date.

8. Acceptance of Tenders. On the Acceptance Date (i.e., [November 8], 2023, unless extended), upon the terms and subject to the conditions of this Invitation, the District will announce its acceptance for purchase of Target Bonds, if any, validly tendered by Bondowners pursuant to this Invitation by giving notice in the manner described in Section 1, with acceptance subject to the satisfaction or waiver by the District of the conditions to the purchase of tendered Target Bonds. See Section 9, "Acceptance of Tenders Constitutes Irrevocable Agreement" and Section 12, "Conditions to Purchase".

[The District shall be under no obligation to accept any Target Bonds tendered for purchase pursuant to this Invitation. The District, in its sole discretion, will select which, if any, Target Bonds tendered for purchase of a particular maturity and corresponding CUSIP based on its determination of the economic benefit from such purchase.]

Should the District decide to only purchase a portion of the Target Bonds being tendered for purchase of a certain CUSIP, the District will accept such Target Bonds tendered for purchase on a pro rata basis. The principal amount of each individual tender will be accepted, pro rata, based upon the ratio of principal amount of such Target Bonds of a certain CUSIP accepted for purchase by the District divided by the aggregate principal amount of such Target Bonds tendered for purchase. In such event, should the principal amount of any individual tender offer, when adjusted by the pro rata acceptance, result in an amount that is not a multiple of \$5,000, the principal amount of such tender will be rounded up to the nearest multiple of \$5,000. If as a result of such adjustment, the principal amount of a holder's unaccepted Target Bonds is less than the minimum authorized denomination of \$5,000, the District will reject such holder's tendered Target Bonds in whole.

The acceptance notification will state: (i) the principal amount of the Target Bonds of each maturity and corresponding CUSIP number that the District has accepted for purchase in accordance with this Invitation, which may be zero for a particular maturity and corresponding CUSIP, or (ii) that the District has decided not to purchase any Target Bonds.

Shortly following the giving of notice of its acceptance of tenders, the District will instruct DTC to release from the controls of the ATOP system all Target Bonds that were tendered but

were not accepted for purchase. The release of such Target Bonds will take place in accordance with DTC's ATOP procedures. The District, the Dealer Manager, and the Information Agent and Tender Agent are not responsible or liable for the operation of the ATOP system by DTC to properly credit such released Target Bonds to the applicable account of the DTC participant or custodial intermediary or by such DTC participant or custodial intermediary for the account of the Bondowner.

Notwithstanding any other provision of this Invitation, the obligation of the District to accept for purchase and to pay for Target Bonds validly tendered (and not validly withdrawn) by Bondowners pursuant to this Invitation is subject to the satisfaction or waiver of the conditions set forth under Section 12, "Conditions to Purchase" below. [The District reserves the right to amend or waive any of the terms of or conditions to this Invitation, in whole or in part, at any time prior to the Expiration Date in its sole discretion.] This Invitation may be withdrawn by the District at any time prior to the Expiration Date.

9. Acceptance of Tenders Constitutes Irrevocable Agreement. Acceptance by the District of validly tendered Target Bonds will constitute an irrevocable agreement between the tendering Bondowner and the District to sell and purchase such Target Bonds, subject to the conditions and terms of this Invitation, including the conditions set forth in Section 12.

10. Settlement Date; Purchase of Target Bonds. Subject to satisfaction of all conditions to the District's obligation to purchase tendered Target Bonds, as described herein, the Settlement Date is the day on which Target Bonds accepted for purchase will be purchased and paid for at the applicable Offer Purchase Price, and the accrued interest on the Target Bonds to be purchased will also be paid. Such purchase and payment are expected to occur on the Settlement Date. The Settlement Date has initially been set as [November 22], 2023, unless extended by the District, assuming all conditions to this Invitation have been satisfied or waived by the District.

The District may, in its sole discretion, change the Settlement Date by giving notice thereof in the manner described in Section 1 of this Invitation prior to the change. However, the Settlement Date may not be later than [Outside Settlement Date]. If the District does not complete the purchase of the Target Bonds by 3:00 PM on [Outside Settlement Date], the right and obligation of the District to purchase any Target Bonds will automatically terminate, without any liability to any Bondowner, and the District will instruct DTC to release from the controls of the ATOP system all tendered Target Bonds.

Subject to satisfaction of all conditions to the District's obligation to purchase Target Bonds tendered for purchase pursuant to this Invitation, as described herein, payment by the District will be made through DTC on the Settlement Date. The District expects that, in accordance with DTC's standard procedures, DTC will transmit the aggregate Offer Purchase Price to be paid for the Target Bonds tendered for purchase (plus accrued interest) to DTC participants holding the Target Bonds accepted for purchase on behalf of Bondowners for subsequent disbursement to the Bondowners. **The District, the Dealer Manager, and the Information Agent and Tender Agent have no responsibility or liability for the distribution of the aggregate Offer Purchase Price and accrued interest paid by DTC to DTC participants or by DTC participants to tendering Bondowners.**

Promptly following such deliveries and payments, the District will instruct the Paying Agent/Registrar for the Target Bonds purchased to cause such Target Bonds to be cancelled and retired.

11. Source of Funds. The source of funds to purchase the Target Bonds validly tendered for purchase pursuant to this Invitation and accepted by the District is anticipated to be proceeds received by the District from the sale of its Series 2023 Bonds, expected to be issued on the Settlement Date. The payment of accrued interest on Target Bonds validly tendered for purchase is expected to be made from funds held by the District for such purpose. The District's ability to settle the cash purchase of Target Bonds tendered for purchase is contingent upon the successful delivery of its Series 2023 Bonds and the other conditions set forth herein.

12. Conditions to Purchase. The consummation of the purchase of the Target Bonds pursuant to this Invitation is conditioned upon the District obtaining satisfactory and sufficient economic benefit therefrom when taken together with the proposed issuance of the Series 2023 Bonds[, all on the terms and conditions that are in the District's best interest as determined in its sole discretion]. Payment on the Settlement Date is conditioned upon the issuance of the Series 2023 Bonds. Furthermore, the District will not be required to purchase any Target Bonds, and will incur no liability as a result, if, before payment for Target Bonds on the Settlement Date:

(a) The District does not, for any reason, have sufficient funds on the Settlement Date from the proceeds of the Series 2023 Bonds to pay the Offer Purchase Price of tendered Target Bonds accepted for purchase pursuant to this Invitation and pay all fees and expenses associated with the Series 2023 Bonds and this Invitation, including the accrued interest on all Target Bonds accepted for purchase;

(b) Litigation or another proceeding is pending or threatened which the District believes may, directly or indirectly, have an adverse impact on this Invitation or the expected benefits of this Invitation to the District or the Bondowners;

(c) A war, other hostilities, or the escalation thereof, public health or other national emergency, banking moratorium, suspension of payments by banks, a general suspension of trading by the New York Stock Exchange or a limitation of prices on the New York Stock Exchange exists and the District believes this fact makes it inadvisable to proceed with the purchase of Target Bonds;

(d) A material change in the business or affairs of the District has occurred which the District believes makes it inadvisable to proceed with the purchase of Target Bonds;

(e) A material change in the net benefits of the transaction contemplated by this Invitation and the Series 2023 Bonds POS has occurred due to a material change in market conditions that the District reasonably believes makes it inadvisable to proceed with the purchase of Target Bonds; or

(f) There shall have occurred a material disruption in securities settlement, payment or clearance services.

These conditions are for the sole benefit of the District. They may be asserted by the District prior to the time of payment for the Target Bonds on the Settlement Date. The conditions may be waived by the District in whole or in part at any time and from time to time in its sole discretion and may be exercised independently for each maturity date and CUSIP number of the Target Bonds. The failure by the District at any time to exercise any of these rights will not be deemed a waiver of any of these rights, and the waiver of these rights with respect to particular facts and other circumstances will not be deemed a waiver of these rights with respect to any other facts and circumstances. Each of these rights will be deemed an ongoing right of the District that may be asserted at any time and from time to time. Any determination by the District concerning the events described in this Section 12 will be final and binding upon all parties. If, prior to the time of payment of any Target Bonds any of the events described happens, the District will have the absolute right to cancel its obligations to purchase Target Bonds without any liability to any Bondowner or any other person.

In addition to the foregoing, the consummation of the purchase of the Target Bonds pursuant to this Invitation is conditioned further upon the execution of an “Officers Pricing Certificate” by a Pricing Officer on the date the Offer Purchase Prices of the Target Bonds are determined, which Officers Pricing Certificate will contain the final terms of sale of the Series 2023 Bonds, and a description of which Target Bonds the District has elected to purchase pursuant to the terms of this Invitation.

13. Extension, Termination and Amendment of Invitation. Through and including the Expiration Date, the District has the right to extend this Invitation to any date in its sole discretion. Notice of an extension of the Expiration Date will be given in the manner described in Section 1 of this Invitation, on or about 11:00 AM on the first Business Day after the then current Expiration Date.

The District also has the right, prior to acceptance of Bonds tendered for purchase as described above under Section 8, “Acceptance of Tenders”, to terminate this Invitation at any time by giving notice of such termination in the manner described in Section 1 of this Invitation.

The District also has the right, prior to the Expiration Date, to amend or waive the terms of this Invitation in any respect and at any time by giving notice of the amendment or waiver in the manner described in Section 1 of this Invitation. The amendment or waiver will be effective at the time specified in such notice.

If the District amends the terms of this Invitation, including by increasing the price to be paid for Target Bonds or a waiver of any term, in any material respect, notice of such amendment or waiver will be given no later than three (3) Business Days prior to the Expiration Date, as extended to provide reasonable time for dissemination of such amendment or waiver to Bondowners and for Bondowners to respond. **If the District increases the Fixed Spread for any of the Taxable Target Bonds pursuant to this Invitation, any tenders submitted with respect to the affected Taxable Target Bonds prior to such increase will remain in full force and effect, and any Bondowner of such affected Taxable Target Bonds wishing to revoke its tender must affirmatively withdraw its tender of such Taxable Target Bonds prior to the Expiration Date as described in Section 7 hereof.**

No extension, termination or amendment of this Invitation (or waiver of any terms of this Invitation) will: (i) change the District's right to decline to purchase any Target Bonds without liability; or (ii) give rise to any liability of the District, the Dealer Manager, or the Information Agent and Tender Agent to any Bondowner or nominee.

14. Certain Federal Income Tax Consequences.

The following discussion summarizes certain U.S. federal income tax considerations generally applicable to U.S. Holders (as defined below) of the Target Bonds that tender their Target Bonds for cash. The discussion below is based upon laws, regulations, rulings, and decisions in effect and available on the date hereof, all of which are subject to change, possibly with retroactive effect. Prospective tendering holders should note that no rulings have been or are expected to be sought from the U.S. Internal Revenue Service (the "IRS") with respect to any of the U.S. federal income tax considerations discussed below, and no assurance can be given that the IRS will not take contrary positions. Further, the following discussion does not deal with U.S. tax consequences applicable to any given investor, nor does it address the U.S. tax considerations applicable to all categories of holders, some of which may be subject to special taxing rules (regardless of whether or not such holders constitute U.S. Holders), such as certain U.S. expatriates, banks, REITs, RICs, insurance companies, tax-exempt organizations, dealers or traders in securities or currencies, partnerships, S corporations, estates and trusts, holders that hold their Target Bonds as part of a hedge, straddle or an integrated or conversion transaction, holders whose "functional currency" is not the U.S. dollar, or certain taxpayers that are required to prepare certified financial statements or file financial statements with certain regulatory or governmental agencies. Furthermore, it does not address (i) alternative minimum tax consequences, (ii) the net investment income tax imposed under Section 1411 of the Internal Revenue Code of 1986 (the "Code"), or (iii) the indirect effects on persons who hold equity interests in a holder. This summary also does not consider the tax consequences of a tender of the Target Bonds under state, local or non-U.S. tax laws. In addition, this summary generally is limited to U.S. tax considerations applicable to holders who hold their Target Bonds as "capital assets" within the meaning of Section 1221 of the Code. The following discussion does not address tax considerations applicable to any holders of the Target Bonds other than U.S. Holders.

As used herein, "U.S. Holder" means a beneficial owner of a Target Bond that for U.S. federal income tax purposes is an individual citizen or resident of the United States, a corporation or other entity taxable as a corporation created or organized in or under the laws of the United States or any state thereof (including the District of Columbia), an estate the income of which is subject to U.S. federal income taxation regardless of its source or a trust where a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons (as defined in the Code) have the authority to control all substantial decisions of the trust (or a trust that has made a valid election under U.S. Treasury Regulations to be treated as a domestic trust). If a partnership holds the Target Bonds, the tax treatment of a tender to such partnership or a partner in such partnership generally will depend upon the status of the partner and upon the activities of the partnership. Partnerships holding the Target Bonds, and partners in such partnerships, should consult their own tax advisors regarding the tax consequences of a tender of Target Bonds (including their status as U.S. Holders).

Prospective tendering holders should consult their own tax advisors in determining the U.S. federal, state, local or non-U.S. tax consequences to them from the tender of the Target Bonds in light of their particular circumstances.

Tendering U.S. Holders. The tender of a Target Bond for cash will be a taxable event for U.S. federal income tax purposes. In such event, in general, a U.S. Holder of a tendered Target Bond will recognize gain or loss equal to the difference between (i) the amount of cash received (except to the extent attributable to accrued but unpaid interest and original issue discount (the “OID”) accrued since the most recent compounding date on the Target Bond, which will be treated for federal income tax purposes as a coupon payment on the Target Bond) and (ii) the U.S. Holder’s adjusted U.S. federal income tax basis in the Target Bond (generally, the purchase price paid by the U.S. Holder for the Target Bond, decreased by any amortized premium, and increased by the amount of any OID previously accrued by such U.S. Holder with respect to such Target Bond). Any such gain or loss generally will be capital gain or loss. In the case of a non-corporate U.S. Holder of the Target Bonds, the maximum marginal U.S. federal income tax rate applicable to any such gain will be lower than the maximum marginal U.S. federal income tax rate applicable to ordinary income if such U.S. holder’s holding period for the Target Bonds exceeds one year. The deductibility of capital losses is subject to limitations.

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

15. Additional Considerations. In deciding whether to participate in this Invitation, each Bondowner should consider carefully, in addition to the other information contained in this Invitation, the following:

Market for Target Bonds. The Target Bonds are not listed on any national or regional securities exchange. To the extent that the Target Bonds are traded, their prices may fluctuate greatly depending on the trading volume and the balance between buy and sell orders. Bondowners may be able to effect a sale of the Target Bonds at a price higher than the Offer Purchase Price established pursuant to this Invitation.

Target Bonds Not Tendered for Purchase. Bondowners of Target Bonds who do not accept this Invitation will continue to hold their respective interests in such Target Bonds. If Target Bonds are purchased pursuant to this Invitation, the principal amount of Target Bonds for a particular maturity and corresponding CUSIP that remains outstanding will be reduced, which could adversely affect the liquidity and market value of the Target Bonds of that maturity and CUSIP that remain outstanding.

The terms of the Target Bonds that remain outstanding will continue to be governed by the terms of the Target Bond Ordinance.

To the extent Target Bonds are not purchased pursuant to this Invitation, the District reserves the right to, and may in the future decide to, acquire some or all of the Target Bonds through open market purchases, privately negotiated transactions, subsequent tender offers, exchange offers or otherwise, upon such terms and at such prices as it may determine, which may be more or less than the consideration offered pursuant to this Invitation, and which could be cash or other consideration. Any future acquisition of Target Bonds may be on the same terms or on terms that are more or less favorable to Bondowners than the terms described in this Invitation. The District also reserves the right in the future to refund (on an advance or current basis) any remaining portion of outstanding Target Bonds through the issuance of publicly offered or privately placed tax-exempt or taxable bonds. The decision to undertake any such future transactions will depend on various factors existing at that time. There can be no assurance as to which of these alternatives, if any, the District may ultimately choose to pursue in the future.

16. The Dealer Manager. References in this Invitation to the Dealer Manager are to Siebert Williams Shank & Co., LLC only in its capacity as the Dealer Manager.

The Dealer Manager may contact Bondowners regarding this Invitation and may request brokers, dealers, custodian banks, depositories trust companies and other nominees to forward this Invitation to beneficial owners of the Target Bonds.

The District will pay to the Dealer Manager customary fees for its services in connection with this Invitation. In addition, the District will pay the Dealer Manager its reasonable out-of-pocket costs and expenses relating to this Invitation.

The Dealer Manager, including its respective affiliates, is a full-service financial institution engaged in various activities, which may include securities trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage, and other financial and non-financial activities and services. The Dealer Manager and its affiliates have, from time to time, performed, and may in the future perform, a variety of these services for the District, for which they received and or will receive customary fees and expenses. In the ordinary course of their various business activities, the Dealer Manager and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities, which may include credit default swaps) and financial instruments (including bank loans) for their own accounts and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities of the Dealer Manager and/or its affiliates may involve

securities and instruments of the District, including but not limited to Target Bonds tendered for purchase pursuant to this Invitation.

In addition to its role as Dealer Manager in connection with this Invitation, the Dealer Manager is currently expected to act as senior managing underwriter of the Series 2023 Bonds anticipated to be issued by the District as described in the Series 2023 Bonds POS attached as **Appendix A** and, as such, it will receive compensation in connection with that transaction as well as for acting as Dealer Manager in connection with this Invitation.

17. Information Agent and Tender Agent. The District has selected Globic Advisors Inc. to act as the Information Agent and Tender Agent in connection with the Tender Offer and has authorized Siebert Williams Shank & Co., LLC to engage the Information and Tender Agent to advise the District and Dealer Manager as to such matters related to the Invitation. The District has agreed to pay the Information Agent and Tender Agent for its reasonable out of pocket costs and expenses related to this Invitation.

18. Miscellaneous. This Invitation is not being made to, and offers will not be accepted from or on behalf of, Bondowners in any jurisdiction in which this Invitation or the acceptance thereof would not be in compliance with the laws of such jurisdiction. In those jurisdictions whose laws require this Invitation to be made through a licensed or registered broker or dealer, this Invitation is being made on behalf of the District by the Dealer Manager.

No one has been authorized by the District, the Dealer Manager, or the Information Agent and Tender Agent to recommend to any Bondowner whether to tender Target Bonds for purchase pursuant to this Invitation. No one has been authorized to give any information or to make any representation in connection with this Invitation other than those contained in this Invitation. Any recommendation, information and representations given or made cannot be relied upon as having been authorized by the District, the Dealer Manager, or the Information Agent and Tender Agent.

None of the District, the Dealer Manager, or the Information Agent and Tender Agent makes any recommendation that any Bondowner tender or refrain from tendering all or any portion of such Bondowner's Target Bonds for purchase. Bondowners must make these decisions and should consult with their broker, account executive, financial advisor, attorney and/or other appropriate professionals.

OAKLAND UNIFIED SCHOOL DISTRICT

Appendix A

SERIES 2023 BONDS PRELIMINARY OFFICIAL STATEMENT

PAYING AGENT AGREEMENT

between the

OAKLAND UNIFIED SCHOOL DISTRICT,
Alameda County, California

and

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

Dated as of November 1, 2023

Relating to the

§[2023A Par]
OAKLAND UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION REFUNDING BONDS,
SERIES 2023A

and

§[2023B Par]
OAKLAND UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION REFUNDING BONDS,
SERIES 2023B (FEDERALLY TAXABLE)

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PAYING AGENT AGREEMENT

This PAYING AGENT AGREEMENT (the “Paying Agent Agreement”), made and entered into as of November 1, 2023, by and between the OAKLAND UNIFIED SCHOOL DISTRICT, a school district duly formed and existing under and by virtue of the Constitution and laws of the State of California (the “District”), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America, as paying agent (the “Paying Agent”), and acknowledged by the Treasurer-Tax Collector of the County of Alameda, California (the “County”),

WITNESSETH:

WHEREAS, the Board of Education (the “Board of Education”) of the Oakland Unified School District (herein called the “District”) of the County of Alameda, State of California (the “County”), has heretofore issued or caused to be issued the following bonds under Measure A, approved by the voters on March 7, 2000 (“Measure A”); Measure B, approved by the voters on June 6, 2006 (“Measure B”); and Measure J approved by the voters on November 6, 2012 (“Measure J”), which bonds are currently outstanding as follows (collectively, the “Outstanding Bonds”):

Issue Name	Date of Issuance	Original Issuance Amount	Outstanding Amount	Expected Optional Redemption Date
Oakland Unified School District General Obligation Bonds (Election of 2012), Series 2015A (the “2015A Bonds”)	August 20, 2015	\$173,500,000	\$[2015A Outstanding]	August 1, 2025
Oakland Unified School District 2015 General Obligation Refunding Bonds (the “2015 Refunding Bonds”)	August 20, 2015	\$168,705,000	\$[2015 Refunding Outstanding]	August 1, 2025
Oakland Unified School District General Obligation Bonds (Election of 2006), Series 2016A (the “2016A Bonds”)	August 17, 2016	\$65,000,000	\$[2016A Outstanding]	August 1, 2026
Oakland Unified School District 2016 General Obligation Refunding Bonds (the “2016 Refunding Bonds”)	August 17, 2016	\$155,780,000	\$[2016 Refunding Outstanding]	August 1, 2026
Oakland Unified School District General Obligation Refunding Bonds, (Measure B) 2017 Series B (the “2017B Refunding Bonds”)	May 25, 2017	\$24,155,000	\$[2017B Refunding Outstanding]	August 1, 2027
Oakland Unified School District General Obligation Refunding	May 25, 2017	\$82,930,000	\$[2017C Refunding	August 1, 2027

Bonds, (Measure J) 2017 Series C (the “2017C Refunding Bonds”)			Outstanding]	
Oakland Unified School District General Obligation Crossover Refunding Bonds, (Measure B) 2017 Series D (Taxable) (the “2017D Refunding Bonds”)	May 25, 2017	\$75,420,000	[\$2017D Refunding Outstanding]	August 1, 2027
Oakland Unified School District General Obligation Bonds (Election of 2012), Series 2019A (the “2019A Bonds”)	August 13, 2019	\$160,000,000	[\$2019A Outstanding]	August 1, 2027

WHEREAS, the Board determined that it was necessary and desirable and that the prudent management of the fiscal affairs of the District required that a portion of the Outstanding Bonds be refunded or, as applicable, voluntarily purchased or exchanged for Bonds (such bonds to be refunded (the “Refunded Bonds” and such bonds to be tendered for purchase or, as applicable, exchanged being referred to herein as the “Tendered Bonds” and, together with the Refunded Bonds, the “Prior Bonds”);

WHEREAS, pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code and other applicable law, the District is authorized to issue refunding bonds to refund all or a portion of the Refunded Bonds and purchase the Tendered Bonds or, as applicable, exchange the Tendered Bonds, and to sell its Refunding Bonds on a negotiated sale basis;

WHEREAS, the Board of Education of the District has duly adopted its Resolution No. 2324-[____], adopted on October 11, 2023 (the “District Resolution”), authorizing the issuance and sale of the “Oakland Unified School District General Obligation Refunding Bonds, Series 2023A,” in an aggregate principal amount not exceeding \$[2023A NTE] (the “2023A Refunding Bonds”) and the “Oakland Unified School District General Obligation Refunding Bonds, Series 2023B (Federally Taxable),” in an aggregate principal amount not exceeding \$[2023B NTE] (the “2023B Refunding Bonds” and, together with the 2023A Refunding Bonds, the “Refunding Bonds”);

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

WHEREAS, to effectuate the issuance of the Refunding Bonds and the purchase and/or exchange, the District has requested Globic Advisors, act as agent to the Paying Agent and tender agent to the District (the “Tender Agent”), and act as information agent to the District (the “Information Agent”);

WHEREAS, the District is entering into an Escrow Agreement, dated as of November 1, 2023, with U.S. Bank Trust Company, National Association, as Escrow Agent (the “Escrow Agent”), to provide for the escrow of a portion of the proceeds of the Refunding Bonds; and

WHEREAS, the District has found and determined and by execution hereof so represents that the issuance of the Refunding Bonds and the refunding of the Refunded Bonds and the Tendered Bonds will result in a net savings in the total interest cost to maturity of the Refunding Bonds compared to that of the Prior Bonds and the Tendered Bonds, including costs of issuance of the Refunding Bonds, pursuant to Section 53552 and 53556 of the California Government Code, and that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Paying Agent Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Paying Agent Agreement;

NOW, THEREFORE, in order to secure the payment of the Refunding Bonds and the performance and observance by the District of all the covenants, agreements and conditions herein and in the Refunding Bonds contained; to secure the acknowledgement and consent of the County Treasurer (as defined herein) to the payment arrangements provided for herein; and in consideration of the mutual covenants and agreements contained herein, and for other valuable consideration to both parties, the District, the County and the Paying Agent hereby agree as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01 Definitions. Unless the context otherwise requires, the terms defined in this Section 1.01 shall, for all purposes hereof and of any amendment hereof or supplement hereto and of the Refunding Bonds and of any certificate, opinion, request or other document mentioned herein or therein, have the meanings defined herein, the following definitions to be equally applicable to both the singular and plural forms of any of the terms defined herein:

“Authorized District Representative” shall mean the Superintendent of the District, the Chief Business Officer, the Interim General Counsel, the Acting Chief of Staff, the Chief Systems & Services Officer or the Controller of the District, or any other officer of the District designated by the Superintendent, the Chief Business Officer, the Interim General Counsel, the Acting Chief of Staff, the Chief Systems & Services Officer or the Controller of the District.

“Board of Education” shall mean the Board of Education of the District.

[“Bond Insurer” shall mean [Bond Insurer].]

“Bondowner” or “Owner” shall mean the person in whose name any Refunding Bond shall be registered.

“Bonds” shall mean the Refunding Bonds.

“Business Day” shall mean any day of the week other than a Saturday or a Sunday on which the Paying Agent is not required or authorized to remain closed, and on which the New York Stock Exchange is open for business.

“Code” shall mean the Internal Revenue Code of 1986, as the same shall be hereafter amended, and any regulations heretofore issued or which shall be hereafter issued by the United States Department of the Treasury thereunder.

“Continuing Disclosure Certificate” shall mean that certain Continuing Disclosure Certificate executed and delivered by the District, dated the date of issuance and delivery of the Refunding Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“County” shall mean the County of Alameda, State of California.

“County Treasurer” shall mean the Treasurer-Tax Collector of the County. The “Office of the County Treasurer” shall mean the Office of the Treasurer-Tax Collector of the County, in Oakland, California.

“Dealer Manager” shall mean Siebert Williams Shank & Co., LLC, as Dealer Manager pursuant to the Dealer Manager Agreement.

“Dealer Manager Agreement” shall mean the Dealer Manager Agreement, dated [October __], 2023, between the District and the Dealer Manager.

“District” shall mean the Oakland Unified School District, located in the County.

“District Resolution” shall mean Resolution No. 2324-[____], adopted by the Board of Education on October 11, 2023.

“Escrow Agent” shall mean U.S. Bank Trust Company, National Association, as initial escrow agent under the Escrow Agreement, its successors and assigns, and any other corporation or association which may at any time be substituted in its place in accordance with the Escrow Agreement.

“Escrow Agreement” shall mean that certain agreement dated as of November 1, 2023, by and between the District and the Escrow Agent, regarding the outstanding Prior Bonds.

“Escrow Fund” shall mean that certain fund of the same name created and maintained by the Escrow Agent pursuant to the Escrow Agreement.

[“Exchanged Bonds” shall mean the Tendered Bonds exchanged for the Refunding Bonds, as set forth in Exhibit B hereto.]

“Information Agent” means Globic Advisors, as agent of the District pursuant hereto.

“Interest and Sinking Fund” shall mean the Interest and Sinking Fund of the District administered by the County Treasurer, established pursuant to State law.

“Interest Payment Date” shall mean February 1 and August 1 of each year. The first Interest Payment Date shall be [February 1, 2024].

“Law” shall mean Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, and other applicable law.

“Opinion of Counsel” shall mean a written opinion of counsel of recognized national standing in the field of law relating to municipal bonds, appointed and paid by the District.

“Owner.” See “Bondowner” defined herein.

“Paying Agent” shall mean U.S. Bank Trust Company, National Association, as initial paying agent, registrar, and transfer agent with respect to the Refunding Bonds, its successors and assigns and any other corporation or association which may at any time be substituted in its place as provided in Section 6.02 hereof.

“Paying Agent Agreement” shall mean this agreement, between the District and the Paying Agent, and acknowledged by the County Treasurer. “Paying Agent Agreement” as used herein shall not refer to any other agreement for paying agent services, specifying compensation for such services, between the County Treasurer and the Paying Agent relating to the Refunding Bonds.

“Prior Bonds” shall mean, collectively, a portion of the outstanding “Oakland Unified School District General Obligation Bonds (Election of 2012), Series 2015A” which were originally issued on August 20, 2015, in the principal amount of \$173,500,000, “Oakland Unified School District 2015 General Obligation Refunding Bonds” which were originally issued on August 20, 2015, in the principal amount of \$168,705,000, “Oakland Unified School District General Obligation Bonds (Election of 2006), Series 2016A” which were originally issued on August 17, 2016, in the principal amount of \$65,000,000, “Oakland Unified School District 2016 General Obligation Refunding Bonds” which were originally issued on August 17, 2016, in the principal amount of \$155,780,000, “Oakland Unified School District General Obligation Refunding Bonds, (Measure B) 2017 Series B” which were originally issued on May 25, 2017, in the principal amount of \$24,155,000, “Oakland Unified School District General Obligation Refunding Bonds, (Measure J) 2017 Series C” which were originally issued on May 25, 2017, in the principal amount of \$82,930,000, “Oakland Unified School District General Obligation Crossover Refunding Bonds, (Measure B) 2017 Series D (Taxable),” which were originally issued on May 25, 2017, in the principal amount of \$75,420,000, and “Oakland Unified School District General Obligation Bonds (Election of 2012), Series 2019A” which were originally issued on August 13, 2019, in the principal amount of \$160,000,000, which are being refunded, purchased and/or exchanged for cancellation through the issuance of the Refunding Bonds.

“Record Date” shall mean the 15th day of the month preceding any Interest Payment Date. The first Record Date shall be [January 15, 2024].

“Refunding Bonds” shall mean, collectively, the “Oakland Unified School District General Obligation Refunding Bonds, Series 2023A” and “Oakland Unified School District General Obligation Refunding Bonds, Series 2023B (Federally Taxable),” issued hereunder.

“State” shall mean the State of California.

“Tax Certificate” shall mean the Tax Certificate concerning certain matters pertaining to the use of proceeds of the Tax-Exempt Bonds, executed and delivered by the District on the date of issuance of the Tax-Exempt Bonds, including all exhibits attached thereto, as such certificate may from time to time be modified or supplemented in accordance with the terms thereof.

“Tax-Exempt Bonds” means the 2023A Refunding Bonds, interest on which is excluded from gross income for federal income tax purposes under Section 103 of the Code.

“Taxable Bonds” means the Series Refunding Bonds, the interest on which is not excluded from gross income for federal income tax purposes under Section 103 of the Code.

“Tender Agent” shall mean Globic Advisors, as agent of the Paying Agent and Dealer Manager, and as Tender Agent to the District pursuant hereto and the Tender Agent Agreement.

“Tender Agent Agreement” shall mean the letter of the Tender Agent to the District, dated [Tender Agent Agreement Date], outlining the role of the Tender Agent as information agent and tender/exchange agent, as set forth in Exhibit C attached hereto.

“Tendered Bonds” means the Prior Bonds to be purchased from the proceeds of or, as, applicable, exchanged for the Refunding Bonds, consisting of the following:

**Oakland Unified School District
General Obligation Bonds
(Election of 2012), Series 2015A**

Maturity Date (August 1)	Principal Amount Tendered for Cash	Principal Amount Tendered for Exchange	Interest Rate	CUSIP* No. (672325)
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**Oakland Unified School District
2015 General Obligation Refunding Bonds**

<u>Maturity Date (August 1)</u>	<u>Principal Amount Tendered for Cash</u>	<u>Principal Amount Tendered for Exchange</u>	<u>Interest Rate</u>	<u>CUSIP* No. (672325)</u>
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**Oakland Unified School District
General Obligation Bonds
(Election of 2006), Series 2016A**

<u>Maturity Date (August 1)</u>	<u>Principal Amount Tendered for Cash</u>	<u>Principal Amount Tendered for Exchange</u>	<u>Interest Rate</u>	<u>CUSIP* No. (672325)</u>
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**Oakland Unified School District
2016 General Obligation Refunding Bonds**

<u>Maturity Date (August 1)</u>	<u>Principal Amount Tendered for Cash</u>	<u>Principal Amount Tendered for Exchange</u>	<u>Interest Rate</u>	<u>CUSIP* No. (672325)</u>
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**Oakland Unified School District
General Obligation Refunding Bonds,
(Measure B) 2017 Series B**

<u>Maturity Date (August 1)</u>	<u>Principal Amount Tendered for Cash</u>	<u>Principal Amount Tendered for Exchange</u>	<u>Interest Rate</u>	<u>CUSIP* No. (672325)</u>
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**Oakland Unified School District
General Obligation Refunding Bonds,
(Measure J) 2017 Series C**

<u>Maturity Date (August 1)</u>	<u>Principal Amount Tendered for Cash</u>	<u>Principal Amount Tendered for Exchange</u>	<u>Interest Rate</u>	<u>CUSIP* No. (672325)</u>
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**Oakland Unified School District
General Obligation Crossover Refunding Bonds,
(Measure B) 2017 Series D (Taxable)**

<u>Maturity Date (August 1)</u>	<u>Principal Amount Tendered for Cash</u>	<u>Principal Amount Tendered for Exchange</u>	<u>Interest Rate</u>	<u>CUSIP* No. (672325)</u>
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**Oakland Unified School District
General Obligation Bonds
(Election of 2012), Series 2019A**

Maturity Date (August 1)	Principal Amount Tendered for Cash	Principal Amount Tendered for Exchange	Interest Rate	CUSIP* No. (672325)
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“Underwriter” means, Siebert Williams Shank & Co., LLC and its respective successors and assigns.

“Written Order of the District” or “Written Request of the District” shall mean an instrument in writing, signed by an Authorized District Representative, or by any other officer of the District authorized in writing for the purpose by any of said officers or by the Board of Education of the District.

ARTICLE II

THE REFUNDING BONDS

SECTION 2.01 Authorization; Date; Payment of Principal and Interest; Denominations. The Refunding Bonds shall be issued for the purpose of refunding a portion of the Prior Bonds, exchanging Refunding Bonds for a portion of the Tendered Bonds and providing funds to purchase for cancellation a portion of the Tendered Bonds and to pay costs incurred in connection with the issuance, sale and delivery of the Refunding Bonds, the refunding of the Refunded Bonds and the tender and exchange of the Tendered Bonds. The Refunding Bonds shall be issued by the District under and subject to the terms of the District Resolution, this Paying Agent Agreement and the Law, and shall be designated as follows: “Oakland Unified School District General Obligation Refunding Bonds, Series 2023A,” and “Oakland Unified School District General Obligation Refunding Bonds, Series 2023B (Federally Taxable),” which shall be issued in the aggregate principal amount of \$[Aggregate Par Amount].

The Refunding Bonds shall be issued as current interest bonds dated the date of issuance thereof. The Refunding Bonds shall bear interest at the respective rates shown in the table in this Section 2.01 below, payable on February 1 and August 1 of each year, commencing [February 1, 2024], until payment of the principal amount thereof. Each Refunding Bond authenticated and registered on any date prior to the close of business on the first Record Date shall bear interest from the date of said Refunding Bond. Each Refunding Bond authenticated during the period between any subsequent Record Date and the close of business on its corresponding Interest Payment Date shall bear interest from such Interest Payment Date. Any other Refunding Bond shall bear interest from the Interest Payment Date immediately preceding

the date of its authentication. If, at the time of authentication of any Refunding Bond, interest is in default on outstanding Refunding Bonds, such Refunding Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the outstanding Refunding Bonds. Interest on the Refunding Bonds shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

The Refunding Bonds shall be issued in fully registered form, without coupons, in the denomination of \$5,000 principal amount or any integral multiple thereof, provided that no Refunding Bond shall mature on more than one maturity date.

The 2023A Refunding Bonds shall mature on August 1 in each of the years and principal amounts and bear interest at the annual rates of interest shown below:

<u>Maturity Date</u> <u>(August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
	\$	%

*

*Term Bond

The 2023B Refunding Bonds shall mature on August 1 in each of the years and principal amounts and bear interest at the annual rates of interest shown below:

<u>Maturity Date</u> <u>(August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
	\$	%

*

*Term Bond

The principal and any redemption premium of the Refunding Bonds shall be payable in lawful money of the United States of America to the Owner thereof, upon the surrender thereof at the office of the Paying Agent designated for the purpose pursuant to Section 6.01(b), on or after the maturity date thereof or upon redemption prior to maturity.

The interest on the Refunding Bonds shall be payable in lawful money to the person whose name appears on the bond registration books of the Paying Agent as the Owner thereof as of the close of business on the applicable Record Date for each Interest Payment Date. Payment of the interest on any Refunding Bond shall be made by check mailed by first class mail on each Interest Payment Date (or on the following Business Day, if the Interest Payment Date does not fall on a Business Day) to such Owner at such Owner's address as it appears on such registration books or at such address as the Owner may have filed with the Paying Agent for that purpose on or before the Record Date; or upon written request of the Owner of interest-bearing Refunding Bonds aggregating not less than \$1,000,000 in principal amount, given no later than the Record Date immediately preceding the applicable Interest Payment Date, by wire transfer in immediately available funds to an account maintained in the United States at such wire address as such Owner shall specify in its written notice. So long as Cede & Co. or its registered assigns shall be the registered owner of any of the Refunding Bonds, payment shall be made thereto by wire transfer as provided in Section 2.04(d) hereof.

SECTION 2.02 Form and Registration of Refunding Bonds. (a) The Refunding Bonds, the Paying Agent's certificate of authentication and registration and the form of assignment to appear thereon, shall be in substantially the form attached hereto as Exhibit A, with necessary or appropriate variations, omissions and insertions as permitted or required by this Paying Agent Agreement (provided that if a portion of the text of any Refunding Bond is printed on the reverse of the bond, the following legend shall be printed on the bond: "THE PROVISIONS OF THIS BOND ARE CONTINUED ON THE REVERSE HEREOF AND SUCH CONTINUED PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH AT THIS PLACE.").

(b) The Refunding Bonds when issued shall be registered in the name of "Cede & Co.," as nominee of The Depository Trust Company, New York, New York ("DTC"), and shall be initially issued as one bond for each of the maturities of the Refunding Bonds, in the principal amounts set forth in the table in Section 2.01. The Depository Trust Company is hereby appointed depository for the Refunding Bonds and registered ownership of the Refunding Bonds may not thereafter be transferred except as provided in Sections 2.04 and 2.05 hereof.

SECTION 2.03 Execution and Authentication of Refunding Bonds. The Refunding Bonds shall be signed by the manual or facsimile signature of the President of the Board of Education and countersigned by the manual or facsimile signature of the Secretary or Clerk of the Board of Education or their designee. Each Refunding Bond shall be authenticated by a manual signature of a duly authorized officer of the Paying Agent.

Only such of the Refunding Bonds as shall bear thereon a certificate of authentication and registration in the form given in Exhibit A hereto, executed by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Paying Agent Agreement, and such certificate of the Paying Agent shall be conclusive evidence that the Refunding Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Paying Agent Agreement.

SECTION 2.04 Book-Entry System. (a) The Refunding Bonds shall be initially issued and registered as provided in Section 2.02(b) hereof. Registered ownership of the Refunding Bonds, or any portion thereof, may not thereafter be transferred except:

(i) To any successor of Cede & Co., as nominee of The Depository Trust Company, or its nominee, or to any substitute depository designated pursuant to clause (ii) of this Section (a “substitute depository”); provided, that any successor of Cede & Co., as nominee of The Depository Trust Company or substitute depository, shall be qualified under any applicable laws to provide the services proposed to be provided by it;

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

(iii) To any person as provided below, upon (A) the resignation of The Depository Trust Company or its successor (or substitute depository or its successor) from its functions as depository, or (B) a determination by the District to remove The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository.

(b) In the case of any transfer pursuant to clause (i) or clause (ii) of subsection (a) hereof, upon receipt of the outstanding Refunding Bonds by the Paying Agent, together with a Written Request of the District, a new Refunding Bond for each maturity shall be executed and delivered pursuant to the procedures described in Section 2.05 hereof in the aggregate principal amount of the Refunding Bonds then outstanding, registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such Written Request of the District. In the case of any transfer pursuant to clause (iii) of subsection (a) hereof, upon receipt of the outstanding Refunding Bonds by the Paying Agent together with a Written Request of the District, new Refunding Bonds shall be executed and delivered in such denominations numbered in the manner determined by the Paying Agent and registered in the names of such persons as are requested in such Written Request of the District, subject to the limitations of Section 2.01 and 2.02, as applicable, and the receipt of such a Written Request of the District, and thereafter, the Refunding Bonds shall be transferred pursuant to the provisions set forth in Section 2.05 of this Paying Agent Agreement; provided, that the Paying Agent shall not be required to deliver such new Refunding Bonds within a period of fewer than 60 days.

(c) The District and the Paying Agent shall be entitled to treat the person in whose name any Refunding Bond is registered as the Owner thereof, notwithstanding any notice to the contrary received by the District or the Paying Agent, and the District and the Paying Agent shall have no responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owners of the Refunding Bonds. Neither the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to the beneficial owners or to any other party including The Depository Trust Company or its successor (or substitute depository or its successor), except as the Owner of any Refunding Bonds.

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

SECTION 2.05 Transfer of Refunding Bonds upon Termination of Book-Entry System. In the event that at any time the Refunding Bonds shall no longer be registered in the name of Cede & Co. as a result of the operation of Section 2.04 hereof, then the procedures contained in this Section 2.05 shall apply.

Any Refunding Bond may, in accordance with its terms, be transferred upon the books required to be kept pursuant to the provisions of Section 2.07 hereof by the person in whose name it is registered, in person or by the duly authorized attorney of such person, upon surrender of such Refunding Bond to the Paying Agent for cancellation at the office of the Paying Agent designated for that purpose, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Paying Agent.

Whenever any Refunding Bond or Bonds shall be surrendered for transfer, the designated District officials shall execute (as provided in Section 2.03 hereof) and the Paying Agent shall authenticate and deliver a new Refunding Bond or Bonds of the same maturity, for a like aggregate principal amount and bearing the same rate or rates of interest. The Paying Agent shall require the payment by the Bondowner requesting any such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

No transfer of Refunding Bonds shall be required to be made by the Paying Agent during the period from the close of business on the Record Date next preceding any Interest Payment Date or the date fixed for redemption to and including such Interest Payment Date or the date fixed for redemption.

SECTION 2.06 Exchange of Refunding Bonds. Refunding Bonds may be exchanged at the office of the Paying Agent designated for that purpose, or such other place as the Paying Agent shall designate, for a like aggregate principal amount of Refunding Bonds of other authorized denominations of the same maturity and interest rate. The Paying Agent shall require the payment by the Bondowner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. No exchange of Refunding Bonds shall be required to be made by the Paying Agent during the period from the

close of business on the Record Date next preceding any Interest Payment Date or date fixed for redemption to and including such Interest Payment Date or the date fixed for redemption.

SECTION 2.07 Bond Register. (a) The Paying Agent will keep or cause to be kept, at the place it shall designate for the purpose, sufficient books for the registration and transfer of the Refunding Bonds, which shall at all times be open to inspection by the County Treasurer and the District, and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Refunding Bonds as hereinbefore provided.

(b) The Paying Agent shall assign each Refunding Bond authenticated and registered by it a distinctive letter or number, or letter and number.

ARTICLE III

ISSUANCE OF THE REFUNDING BONDS

SECTION 3.01 Delivery of Refunding Bonds. [The Paying Agent is hereby authorized to authenticate and deliver the Refunding Bonds to or upon the Written Request of the District upon receipt of the purchase price of the Refunding Bonds from the Underwriter and upon acknowledgement by the Tender Agent that the Tendered Bonds have been properly tendered for purchase or exchange, delivered through DTC, including delivery of the Refunding Bonds delivered through DTC to the owners of the Exchanged Bonds.]

SECTION 3.02 Application of Proceeds of Sale of Refunding Bonds and Accrued Interest Received from the County. Upon the delivery of the Refunding Bonds to the Underwriter, and the payment by the Underwriter of the net purchase price of the Refunding Bonds of \$[Purchase Price] (consisting of the par amount thereof, [plus/less] [net] original issue [premium/discount] of \$[Premium/Discount], less the Underwriters' discount of \$[UW Discount][, and less \$[Bond Insurance Premium] representing the bond insurance premium to be wired directly to the Bond Insurer]), and receipt from the County of the amount of \$[Accrued Interest], consisting of the amount of accrued interest on the Tendered Bonds, the Paying Agent shall apply, transfer and deposit said amounts as follows:

- (i) after acknowledgement by the Dealer Manager and the Tender Agent of completion of the requisite procedures to tender the Tendered Bonds for purchase or exchange, apply \$[Purchase and Cancellation] to the purchase and cancellation of the Tendered Bonds, consisting of \$[Tendered for Purchase Par] principal amount of the Tendered Bonds being purchased (at a purchase cost of \$[Tendered Purchase Cost]) and accrued interest on said bonds of \$[Accrued Interest on Tendered Bonds] and the amount of \$[Accrued Interest on Exchanged Bonds] in accrued interest to be paid to owners of the Exchanged Bonds;
- (ii) transfer \$[Escrow Fund] to the Escrow Agent for deposit in the Escrow Fund created pursuant to the Escrow Agreement; and

- (iii) deposit \$[COI Deposit] to the Oakland Unified School District 2023 General Obligation Refunding Bonds Costs of Issuance Account, which is hereby created and which shall be held and administered by the Paying Agent hereunder. Amounts deposited in the Costs of Issuance Account shall be paid on the Written Order of the District. On the 180th day following the date of issue of the Refunding Bonds, or upon prior written Order of the District, the Paying Agent shall transfer any remaining amounts in the Costs of Issuance Account to the County Treasurer for deposit in the Interest and Sinking Fund of the District.

Funds held by the Paying Agent hereunder shall be held uninvested, unless otherwise directed by a written Order of the District.

SECTION 3.03 [Exchange of Refunding Bonds and Acceptance and Cancellation of Tendered Bonds]. The District hereby directs the Paying Agent, and shall direct the Dealer Manager, to coordinate with each other and DTC to effect the tender and, as applicable, exchange of the Tendered Bonds pursuant to the procedures outlined in Exhibit C attached hereto. The District shall cause the Dealer Manager to execute and/or deliver any instructions and other certificates required by DTC to evidence the tender and, as applicable, exchange of the Tendered Bonds, including the tender and/or exchange instructions of each of the beneficial owners of the Exchanged Bonds delivered to DTC. The District hereby directs the Paying Agent to assist and cooperate with respect to the DTC procedures for the receipt and cancellation of the Exchanged Bonds on behalf of the District and to authenticate and deliver through DTC the Refunding Bonds to the holders of the Exchanged Bonds. The maturity schedules of the Exchanged Bonds to be accepted for cancellation, and of the Refunding Bonds to be delivered in exchange therefor, are set forth in Exhibit B attached hereto. The instructions and directions of the Tender Agent, Paying Agent, Dealer Manager and District to DTC, including the tender and/or exchange instructions of each of the beneficial owners of the Exchanged Bonds provided by the Tender Agent to DTC, are included hereto in Exhibit C. Upon acknowledgement by the Tender Agent that the Tendered Bonds have been properly tendered for purchase or exchange and delivered through DTC, including certain Bonds delivered through DTC directly to the holders of Exchanged Bonds, thereupon all Tendered Bonds shall be cancelled. Upon acknowledgement by the Tender Agent that the Tendered Bonds have been properly tendered for purchase and delivered through DTC, thereupon all Tendered Bonds shall be cancelled.]

ARTICLE IV

REDEMPTION OF THE REFUNDING BONDS

SECTION 4.01 Terms of Redemption. The Refunding Bonds are not subject to optional redemption prior to maturity except as otherwise provided in this Article.

SECTION 4.02 Redemption of Refunding Bonds. (a) Optional Redemption. The 2023A Refunding Bonds maturing on or before August 1, 20__ are not subject to redemption prior to their respective stated maturity dates. The 2023A Refunding Bonds maturing on and after August 1, 20__, shall be subject to redemption prior to their respective

stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part on any date on or after August 1, 20__, at a redemption price equal to 100% of the principal amount thereof called for redemption, together with interest accrued thereon to the date of redemption, without premium.

The 2023B Refunding Bonds are not subject to optional redemption prior to maturity.

(b) [Mandatory Sinking Fund Redemption of Refunding Bonds]. The \$_____ Term 2023A Refunding Bond maturing on August 1, 20__, is also subject to mandatory sinking fund redemption on each mandatory sinking fund redemption date and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to 100% of the principal amount thereof to be redeemed, without premium, together with interest accrued thereon to the date fixed for redemption:

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

† Maturity.

The principal amount to be redeemed in each year shown in the table above will be reduced proportionately, in integral multiples of \$5,000, by the amount of such Term 2023A Refunding Bond optionally redeemed prior to the mandatory sinking fund redemption date, if any.

If any Term 2023A Refunding Bonds are redeemed pursuant to optional redemption, the total amount of all future sinking fund payments with respect to such Term 2023A Refunding Bonds shall be reduced by the aggregate principal amount of such Term 2023A Refunding Bonds so redeemed, to be allocated among such payments on a pro rata basis in integral multiples of \$5,000 principal amount (or on such other basis as the District may determine) as set forth in written notice given by the District to the Paying Agent.]

(c) Selection of Bonds for Redemption. If less than all of the Refunding Bonds are called for redemption, such bonds shall be redeemed in inverse order of maturities or as otherwise directed by the District. If less than all of the Refunding Bonds of any given maturity are called for redemption, the portions of such bonds of a given maturity to be redeemed shall be determined by lot. For purposes of such selection, each Refunding Bond shall be deemed to consist of individual Refunding Bonds of denominations of \$5,000 principal amount each, which may be separately redeemed.

SECTION 4.03 Notice of Redemption. (a) Notice of redemption of the Refunding Bonds will be mailed by the Paying Agent, upon written request of the District, postage prepaid not less than 20 nor more than 60 days prior to the date fixed for redemption (i) by first class mail to the respective Owners of bonds designated for redemption at the addresses appearing on the bond registration books of the Paying Agent, and (ii) as may be further required in accordance with the Continuing Disclosure Certificate.

Each notice of redemption shall contain all of the following information: (i) the date of such notice; (ii) the name of the affected Refunding Bonds and the date of issue of the Refunding Bonds; (iii) the date fixed for redemption; (iv) the redemption price; (v) the dates of maturity of the Refunding Bonds to be redeemed; (vi) if less than all of the then outstanding Refunding Bonds are to be redeemed, the distinctive serial numbers of the Refunding Bonds of each maturity to be redeemed; (vii) in the case of Refunding Bonds redeemed in part only, the respective portions of the principal amount of the Refunding Bonds of each maturity to be redeemed; (viii) the CUSIP number, if any, of each maturity of Refunding Bonds to be redeemed; (ix) a statement that such Refunding Bonds must be surrendered by the Owners at the office of the Paying Agent designated by the Paying Agent for such purpose; (x) notice that further interest on such Refunding Bonds will not accrue after the designated redemption date; and (xi) in the case of a conditional notice, that such notice is conditioned upon certain circumstances and the manner of rescinding such conditional notice.

The actual receipt by any Owner of any Refunding Bond of notice of such redemption will not be a condition precedent to redemption, and failure to receive such notice, or any defect in the notice given, will not affect the validity of the proceedings for the redemption of such Refunding Bonds or the cessation of interest on the date fixed for redemption.

(b) Effect of Notice of Redemption. When notice of redemption has been given substantially as described above, and when the amount necessary for the payment of the redemption price of the Refunding Bonds called for redemption is set aside for such purpose, the Refunding Bonds designated for redemption will become due and payable on the date fixed for redemption and interest will cease to accrue thereon as of the redemption date, and upon presentation and surrender of such Refunding Bonds at the place specified in the notice of redemption, such Refunding Bonds will be redeemed and paid at the redemption price thereof out of the money provided therefor. The Owners of Refunding Bonds so called for redemption after such date fixed for redemption will look for the payment of such Refunding Bonds and the redemption premium thereon, if any, only to moneys on deposit in the Interest and Sinking Fund of the District or the escrow fund established for such purpose. All Refunding Bonds redeemed will be cancelled forthwith by the Paying Agent and will not be reissued.

(c) Conditional Notice. Any notice of optional redemption of the Refunding Bonds delivered in accordance herewith may be conditional and if any condition stated in the notice of redemption shall not have been satisfied on or prior to the redemption date, (i) said notice shall be of no force and effect; (ii) the District shall not be required to redeem such Refunding Bonds; (iii) the redemption shall be cancelled; and (iv) the Paying Agent shall within a reasonable time thereafter give notice to the persons and in the manner in which the conditional notice of redemption was given, that such condition or conditions were not met and that the redemption was cancelled. The actual receipt by the Owner of any Refunding Bond of notice of

such cancellation shall not be a condition precedent to cancellation, and failure to receive such notice or any defect in such notice shall not affect the validity of the cancellation.

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

(e) Redemption Fund. Prior to or on the redemption date of any Refunding Bonds there shall be available in the Interest and Sinking Fund of the District, or held in trust for such purpose as provided by law, moneys for the purpose and sufficient to redeem, at the premiums payable as in this Paying Agent Agreement provided, the Refunding Bonds designated in said notice of redemption. Such moneys so set aside in any such escrow fund shall be applied on or after the redemption date solely for payment of principal of and premium, if any, on the Refunding Bonds to be redeemed upon presentation and surrender of such Refunding Bonds, provided that all moneys in the Interest and Sinking Fund of the District shall be used for the purposes established and permitted by law. Any interest due on or prior to the redemption date shall be paid from the Interest and Sinking Fund of the District, unless otherwise provided for to be paid from such escrow. If, after all of the Refunding Bonds have been redeemed and cancelled or paid and cancelled, there are moneys remaining in the Interest and Sinking Fund of the District or otherwise held in trust for the payment of redemption price of the Refunding Bonds, said moneys shall be held in or returned or transferred to the Interest and Sinking Fund of the District for payment of any outstanding bonds of the District payable from said fund; provided, however, that if said moneys are part of the proceeds of bonds of the District, said moneys shall be transferred to the fund created for the payment of principal of and interest on such bonds. If no such bonds of the District are at such time outstanding, said moneys shall be transferred to the general fund of the District as provided and permitted by law.

SECTION 4.04 Defeasance of Bonds. The District may pay and discharge any or all of the Refunding Bonds by depositing in trust with the Paying Agent or an escrow agent at or before maturity, money or non-callable direct obligations of the United States of America or other non-callable obligations the payment of the principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of America, in an amount which will, together with the interest to accrue thereon and available moneys then on deposit in the Interest and Sinking Fund, be fully sufficient in the opinion of a certified public accountant licensed to practice in the State to pay and discharge the indebtedness on such Refunding Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates.

If at any time the District shall pay or cause to be paid or there shall otherwise be paid to the Owners of any or all outstanding Refunding Bonds all of the principal, interest and premium, if any, represented by such Refunding Bonds when due, or as described above, or as otherwise provided by law, then such Owners shall cease to be entitled to the obligation of the County to levy and collect taxes to pay the Refunding Bonds as described in Section 6.07 hereof, and such obligation and all agreements and covenants of the District to such Owners hereunder and under the Refunding Bonds shall thereupon be satisfied and discharged and shall terminate, except only that the District shall remain liable for payment of all principal, interest and premium, if any, represented by such Refunding Bonds, but only out of moneys on deposit in the Interest and Sinking Fund or otherwise held in trust for such payment, provided, that the unclaimed moneys provisions described in Section 6.07 hereof shall apply in all events.

ARTICLE V

COVENANTS OF THE DISTRICT

SECTION 5.01 Payment of Principal and Interest. On or prior to the date any payment is due in respect of the Refunding Bonds, the County Treasurer will deposit with the Paying Agent moneys sufficient to pay the principal and the interest (and premium, if any) to become due in respect of all Refunding Bonds outstanding on such Interest Payment Date, but only as required by the Law. When and as paid in full, and following surrender thereof to the Paying Agent, all Refunding Bonds shall be cancelled by the Paying Agent, and thereafter they shall be destroyed. Moneys for the payment of principal, redemption premium, if any, and interest with respect to the Refunding Bonds shall be raised by taxation upon all taxable property in the District and the County shall provide for the levy and collection of such taxes in the manner provided by the Law.

SECTION 5.02 Obligation to Levy Taxes for Payment of Refunding Bonds. The Board of Supervisors and officers of the County are obligated by statute to provide for the levy and collection of property taxes in each year sufficient to pay all principal of and interest coming due on the Refunding Bonds in such year, and the County Treasurer is obligated by statute to pay from such taxes all amounts due on the Refunding Bonds. The District shall take all steps required by law and by the County to ensure that the Board of Supervisors shall annually levy a tax upon all taxable property in the District sufficient to redeem the Refunding Bonds, and to pay the principal, redemption premium, if any, and interest thereon as and when the same become due. The District is not obligated to pledge and pledges no moneys hereunder other than as provided for and required by the Law.

SECTION 5.03 Further Assurances. The District will promptly execute and deliver or cause to be executed and delivered all such other and further instruments, documents or assurances, and promptly do or cause to be done all such other actions, as may be necessary or reasonably required in order to further and more fully vest in the Bondowners all rights, interest, powers, benefits, privileges and advantages conferred or intended to be conferred upon them by this Paying Agent Agreement.

SECTION 5.04 Tax Covenants. (a) The District shall not take any action or inaction, or fail to take any action, or permit any action to be taken on its behalf or cause or permit any circumstances within its control to arise or continue, if such action or inaction would adversely affect the exclusion from gross income of the interest payable on the Tax-Exempt Bonds under Section 103 of the Code. Without limiting the generality of the foregoing, the District shall comply with the instructions and requirements of the Tax Certificate for the Tax-Exempt Bonds. This covenant shall survive payment in full or defeasance of the Tax-Exempt Bonds.

(b) In the event that at any time the District is of the opinion that for purposes of this Section it is necessary or helpful to restrict or limit the yield on the investment of any moneys held by the Paying Agent under this Paying Agent Agreement, the District shall so instruct the Paying Agent, as appropriate, in writing, and the Paying Agent shall take such action as may be necessary in accordance with such instructions.

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

SECTION 5.05 Validity of Refunding Bonds. The recital contained in the Refunding Bonds that the same are regularly issued pursuant to the Law and that the total amount of indebtedness of the District, including the amount of the Refunding Bonds, is within the limit provided by law, shall be conclusive evidence of their validity and of compliance with the provisions of the Law in their issuance.

ARTICLE VI

THE PAYING AGENT

SECTION 6.01 Appointment; Acceptance; Designated Office. (a) Appointment and Acceptance of Duties. U.S. Bank Trust Company, National Association, is hereby appointed Paying Agent, and hereby accepts and agrees to perform the duties and obligations of the Paying Agent, registrar and transfer agent specifically imposed upon it by this Paying Agent Agreement, and no implied duties shall be read into this Paying Agent Agreement against the Paying Agent.

The Paying Agent is hereby authorized and hereby agrees to pay or redeem the Refunding Bonds when duly presented for payment at maturity, or on prior redemption, and to cancel all Refunding Bonds upon payment thereof. The Paying Agent shall keep accurate records of all funds administered by it and of all Refunding Bonds paid and discharged.

(b) Office of the Paying Agent. The Paying Agent, and any successor Paying Agent, shall designate each place or places where it will conduct the functions of transfer,

registration, exchange, payment, and surrender of the Refunding Bonds. If no office is so designated for a particular purpose, such functions shall be conducted at the office of U.S. Bank Trust Company, National Association in St. Paul, Minnesota, or the principal corporate trust office of any successor Paying Agent.

SECTION 6.02 Resignation, Removal, Replacement of Paying Agent; Merger or Consolidation. (a) The Paying Agent may at any time resign by giving written notice to the District and the County Treasurer of such resignation, whereupon the County Treasurer shall promptly appoint a successor Paying Agent by the resignation date. Resignation of the Paying Agent will be effective 45 days after notice of the resignation is given as stated above or upon appointment of a successor Paying Agent, whichever first occurs. The County Treasurer may at any time remove the Paying Agent and any successor Paying Agent by an instrument given in writing, with copy to the District. After removal or receiving a notice of resignation of the Paying Agent, the County Treasurer may appoint a temporary Paying Agent or temporarily assume the duties of the Paying Agent to replace the former Paying Agent until the County Treasurer appoints a successor Paying Agent. Any such temporary Paying Agent so appointed by the County Treasurer shall immediately and without further act be superseded by the successor Paying Agent upon the appointment of and acceptance thereof by such successor.

(b) The Paying Agent, if not U.S. Bank Trust Company, National Association, shall be a bank, national banking association or trust company having trust powers incorporated or organized under the laws of the United States of America or any state thereof, having (or if such bank, national banking association or trust company is a member of a bank holding company system, its parent bank holding company shall have) a combined capital and surplus of at least \$75,000,000, in good standing and subject to supervision or examination by federal or state agency. If such bank, national banking association or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining agency above referred to, then for the purpose of this subsection the combined capital and surplus of such bank, national banking association or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

(c) *Merger or Consolidation.* Any bank, national banking association or trust company into which a successor Paying Agent may be merged or converted or with which it may be consolidated or any bank, national banking association or trust company resulting from any merger, conversion or consolidation to which it shall be a party or any bank, national banking association or trust company to which the Paying Agent may sell or transfer all or substantially all of its corporate trust business, provided such bank, national banking association or trust company shall be eligible under Section 6.02(b) shall be the successor to such Paying Agent, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

SECTION 6.03 Protection of Paying Agent. The Paying Agent hereby agrees, provided sufficient immediately available funds have been provided to it for such purpose the District, to use the funds deposited with it solely for payment of the principal of and interest on the Refunding Bonds as the same shall become due or become subject to earlier redemption.

SECTION 6.04 Reliance on Documents, Etc.

(a) The Paying Agent may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Paying Agent by the District.

(b) The Paying Agent shall not be liable for any error of judgment made in good faith. The Paying Agent shall not be liable for, other than its negligence or willful misconduct in connection with, any act or omission hereunder.

(c) No provision of this Paying Agent Agreement shall require the Paying Agent to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers.

(d) The Paying Agent may rely, or be protected in acting or refraining from acting, upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Paying Agent need not examine the ownership of any Refunding Bond, but is protected in acting upon receipt of Refunding Bonds containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Bondowner or agent of the Bondowner.

(e) The Paying Agent may consult with counsel, and the written advice of such counsel or any Opinion of Counsel shall be full authorization and protection with respect to any action taken, suffered or omitted by it hereunder in good faith and reliance thereon.

(f) The Paying Agent may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys.

SECTION 6.05 Recitals of District. The recitals contained herein and in the Refunding Bonds shall be taken as the statements of the District, or the County, as appropriate, and the Paying Agent assumes no responsibility for their correctness.

SECTION 6.06 Paying Agent May Own Bonds. The Paying Agent, in its individual or any other capacity, may become the Owner or pledgee of Refunding Bonds with the same rights it would have if it were not the Paying Agent for the Refunding Bonds.

SECTION 6.07 Money Held by Paying Agent; Unclaimed Moneys. Money held by the Paying Agent hereunder may be commingled with other funds held by the Paying Agent, but shall be separately accounted for. Except as otherwise provided herein, the Paying Agent shall have no duties with respect to investment of funds deposited with it and shall be under no obligation to pay interest on any money received by it hereunder.

Any money held in any fund created pursuant to this Paying Agent Agreement, or held by the Paying Agent in trust, for the payment of the principal of, redemption premium, if any, or interest on the Refunding Bonds and remaining unclaimed for two years after the principal of all of the Refunding Bonds has become due and payable (whether by maturity or upon prior redemption) shall be transferred to the Interest and Sinking Fund for payment of any

outstanding bonds of the District payable from said fund; or, if no such bonds of the District are at such time outstanding, said moneys shall be transferred to the general fund of the District as provided and permitted by law.

SECTION 6.08 Other Transactions. The Paying Agent may engage in or be interested in any financial or other transaction with the District.

SECTION 6.09 Interpleader. The Paying Agent may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit, in a court of competent jurisdiction. The Paying Agent has the right to file an action in interpleader in any court of competent jurisdiction to determine the rights of any person claiming any interest herein.

SECTION 6.10 Indemnification. The District, to the extent permitted by law, shall indemnify the Paying Agent, its officers, directors, employees, and agents for, and hold them harmless against any loss, cost, claim, liability or expense arising out of or in connection with the Paying Agent's acceptance or administration of the Paying Agent's duties hereunder or under the Refunding Bonds (except any loss, liability or expense as may be adjudicated by a court of competent jurisdiction to be attributable to the Paying Agent's negligence or willful misconduct), including without limitation the cost and expense (including its counsel fees and disbursements, including the allocated costs and disbursements of internal counsel) of defending itself against any claim or liability (except such action as may be brought against the Paying Agent by the District) in connection with the exercise or performance of any of its powers or duties under this Paying Agent Agreement. The provisions of this Section 6.10 shall survive termination of this Paying Agent Agreement and shall continue for the benefit of any Paying Agent after its resignation as Paying Agent hereunder.

SECTION 6.11 Instructions to Paying Agent. The Paying Agent agrees to accept and act upon instructions or directions pursuant to this Paying Agent Agreement sent by unsecured email, facsimile transmission or other similar unsecured electronic methods, provided, however, that the District shall provide to the Paying Agent an incumbency certificate listing designated persons authorized to provide such instructions, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the District elects to give the Paying Agent email or facsimile instructions (or instructions by a similar electronic method) and the Paying Agent in its discretion elects to act upon such instructions, the Paying Agent's understanding of such instructions shall be deemed controlling. The Paying Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Paying Agent's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The District agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Paying Agent, including without limitation the risk of the Paying Agent acting on unauthorized instruction, and the risk of interception and misuse by third parties.

ARTICLE VII

MISCELLANEOUS

SECTION 7.01 Counterparts. This Paying Agent Agreement may be signed in several counterparts, each of which will constitute an original, but all of which shall constitute one and the same instrument.

SECTION 7.02 Continuing Disclosure. The District hereby covenants and agrees that it shall comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Paying Agent Agreement, failure of the District to comply with the Continuing Disclosure Certificate shall not be considered an event of default hereunder; provided that any Owner or Beneficial Owner (as defined below) may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Section 7.02. For purposes of this Section 7.02, "Beneficial Owner" means any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Refunding Bonds (including persons holding Refunding Bonds through nominees, depositories or other intermediaries).

SECTION 7.03 Notices. Unless otherwise specified herein, all notices, statements, orders, requests or other communications hereunder by any party to another shall be in writing and shall be sufficiently given and served upon the other party if delivered personally or if mailed by United States registered or certified mail, return receipt requested, postage prepaid, or if given by fax, electronically, or other means of written communication and confirmed by mail:

If to the District:

Oakland Unified School District
1011 Union Street
Oakland, CA 94607
Attn: Chief Business Officer

If to the County:

County of Alameda
1221 Oak Street, Room 131
Oakland, CA 94612
Attn: Treasurer-Tax Collector

If to the Paying Agent:

U.S. Bank Trust Company, National Association
One California Street, Suite 1000
San Francisco, CA 94111
Attn: Global Corporate Trust Services

SECTION 7.04 Governing Law. This Paying Agent Agreement shall be governed by the laws of the State of California.

IN WITNESS WHEREOF, the parties hereto have caused this Paying Agent Agreement, relating to the OAKLAND UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION REFUNDING BONDS, SERIES 2023A and OAKLAND UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION REFUNDING BONDS, SERIES 2023B (FEDERALLY TAXABLE), to be duly executed by their officers duly authorized as of the date first written above.

OAKLAND UNIFIED SCHOOL DISTRICT

By _____
Authorized District Representative

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

By _____
Authorized Officer

Acknowledged:

By: _____
Treasurer-Tax Collector
County of Alameda

EXHIBIT A
[FORM OF BOND]

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

OAKLAND UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION REFUNDING BONDS,
SERIES [2023A][2023B (FEDERALLY TAXABLE)]

Dated	Maturity Date	Interest Rate	CUSIP No.
[Closing Date]	August 1, 20__	____%	672325__

Registered Owner: CEDE & CO.

Principal Sum: _____ DOLLARS

Oakland Unified School District of County of Alameda, State of California (the “District”), hereby acknowledges itself obligated to and promises to cause to be paid to the registered owner identified above or registered assigns, but only from taxes collected by the County of Alameda (the “County”) for such purpose pursuant to Section 15250 of the Education Code and Section 53559 of the Government Code of the State of California, on the maturity date set forth above or upon redemption prior thereto, the principal sum specified above in lawful money of the United States of America, and to pay interest thereon in like lawful money at the interest rate per annum stated above, computed on the basis of a 360-day year of twelve 30-day months, payable on February 1 and August 1 in each year (each an “Interest Payment Date”), commencing [February 1, 2024], until payment of said principal sum. If this bond is authenticated and registered on any date prior to the close of business on [January 15, 2024], it shall bear interest from the date hereof. If authenticated during the period between any Record Date (defined as the 15th day of the month preceding an Interest Payment Date) and the close of business on its corresponding Interest Payment Date, it shall bear interest from such interest payment date. Otherwise, this bond shall bear interest from the Interest Payment Date immediately preceding the date of its authentication.

The principal hereof is payable to the registered owner hereof upon the surrender hereof at the place or places designated for the purpose by the paying agent/registrar and transfer agent of the District (the “Paying Agent”), initially, U.S. Bank Trust Company, National Association. The interest hereon is payable to the person whose name appears on the bond registration books of the Paying Agent as the registered owner hereof as of the close of business on the Record Date preceding each Interest Payment Date, such interest to be paid by check mailed to such registered owner at the owner’s address as it appears on such registration books, or at such other address filed with the Paying Agent for that purpose. Upon written request, given no later than the Record Date immediately preceding an Interest Payment Date, of the owner of Bonds (hereinafter defined) aggregating at least \$1,000,000 in principal amount, interest will be paid by wire transfer to an account maintained in the United States as specified

by the owner in such request. So long as Cede & Co. or its registered assigns shall be the registered owner of this bond, payment shall be made by wire transfer as provided in the Paying Agent Agreement hereinafter described.

This bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying series, numbers, denominations, interest rates, maturities and redemption provisions), amounting in the aggregate to \$[2023A Par][2023B Par], designated as “Oakland Unified School District General Obligation Refunding Bonds, Series [2023A][2023B (Federally Taxable)]” (the “Bonds”), issued for the purpose of refunding and redeeming certain outstanding bonds of the District. The Bonds were authorized by a resolution approved by the Board of Education of the District (the “Board”) on October 11, 2023 (the “Resolution”) and are issued and sold pursuant to a Paying Agent Agreement (the “Paying Agent Agreement”), Dated as of November 1, 2023, between the District and the Paying Agent. The Bonds are issued and sold by the District pursuant to and in strict conformity with the provisions of the Paying Agent Agreement and of the Constitution and laws of California, specifically under the authority of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California.

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

This bond is transferable by the registered owner hereof, in person or by attorney duly authorized in writing, at said office of the Paying Agent, but only in the manner, subject to the limitations and upon payment of the charges provided in the Paying Agent Agreement, and upon surrender and cancellation of this bond. Upon such transfer, a new Bond or Bonds of authorized denomination or denominations for the same series, maturity, interest rate, and same aggregate principal amount will be issued to the transferee in exchange herefor.

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

[The Bonds are subject to optional and mandatory sinking fund redemption on the terms and subject to the conditions specified in the Paying Agent Agreement. If this bond is called for redemption and payment is duly provided therefor, interest shall cease to accrue hereon from and after the date fixed for redemption.] [The Bonds are not subject to redemption prior to maturity.]

The Board of Education of the District hereby certifies and declares that the total amount of indebtedness of the District, including the amount of this bond, is within the limit provided by law, that all acts, conditions and things required by law to be done or performed precedent to and in the issuance of this bond have been done and performed in strict conformity with the laws authorizing the issuance of this bond; and, that this bond is in substantially the

form prescribed by the Paying Agent Agreement and by order of the Board of Education of the District duly made and entered on its minutes. The Bonds represent an obligation of the District payable out of the Interest and Sinking Fund of the District, and the money for the redemption of this bonds, and the payment of principal of, premium, if any, and interest thereon, shall be raised by taxation upon the taxable property of the District.

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

IN WITNESS WHEREOF the Oakland Unified School District has caused this OAKLAND UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION REFUNDING BONDS, SERIES [2023A][2023B (FEDERALLY TAXABLE)] to be signed by facsimile signatures of its President and of the Secretary of the Board of Education of the Oakland Unified School District.

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

Countersigned:

Secretary of the Board of Education of the
Oakland Unified School District

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is one of the OAKLAND UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION REFUNDING BONDS, SERIES [2023A][2023B (FEDERALLY TAXABLE)] described in the within-mentioned Paying Agent Agreement and authenticated and registered on [Closing Date].

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Paying Agent/Registrar and Transfer Agent

By _____
Authorized Officer

DTC LEGEND

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

[STATEMENT OF INSURANCE

[[Bond Insurer] (“[]”), New York, New York, has delivered its municipal bond insurance policy (the “Policy”) with respect to the scheduled payments due of principal of and interest on the Bonds, to U.S. Bank Trust Company, National Association, San Francisco, California, or its successor, as paying agent for the Bonds (the “Paying Agent”). Said Policy is on file and available for inspection at the principal office of the Paying Agent and a copy thereof may be obtained from [] or the Paying Agent. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. By its purchase of these Bonds, the owner acknowledges and consents to the subrogation and all other rights of [] as more fully set forth in the Policy.]

ASSIGNMENT

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

I.D. Number

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

Dated: _____

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

EXHIBIT B

SCHEDULE OF 2015A BONDS TENDERED FOR EXCHANGE

**Oakland Unified School District
General Obligation Bonds
(Election of 2012), Series 2015A**

<u>Maturity Date (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP* No. (672325)</u>	<u>Optional Redemption Date</u>	<u>Beneficial Owner</u>
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SCHEDULE OF 2015 REFUNDING BONDS TENDERED FOR EXCHANGE

**Oakland Unified School District
2015 General Obligation Refunding Bonds**

<u>Maturity Date (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP* No. (672325)</u>	<u>Optional Redemption Date</u>	<u>Beneficial Owner</u>
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SCHEDULE OF 2016A BONDS TENDERED FOR EXCHANGE

**Oakland Unified School District
General Obligation Bonds
(Election of 2006), Series 2016A**

<u>Maturity Date (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP* No. (672325)</u>	<u>Optional Redemption Date</u>	<u>Beneficial Owner</u>
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SCHEDULE OF 2016 REFUNDING BONDS TENDERED FOR EXCHANGE

**Oakland Unified School District
2016 General Obligation Refunding Bonds**

<u>Maturity Date (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP* No. (672325)</u>	<u>Optional Redemption Date</u>	<u>Beneficial Owner</u>
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SCHEDULE OF 2017B REFUNDING BONDS TENDERED FOR EXCHANGE

**Oakland Unified School District
General Obligation Refunding Bonds,
(Measure B) 2017 Series B**

<u>Maturity Date (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP* No. (672325)</u>	<u>Optional Redemption Date</u>	<u>Beneficial Owner</u>
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SCHEDULE OF 2017C REFUNDING BONDS TENDERED FOR EXCHANGE

**Oakland Unified School District
General Obligation Refunding Bonds,
(Measure J) 2017 Series C**

<u>Maturity Date (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP* No. (672325)</u>	<u>Optional Redemption Date</u>	<u>Beneficial Owner</u>
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SCHEDULE OF 2017D REFUNDING BONDS TENDERED FOR EXCHANGE

**Oakland Unified School District
General Obligation Crossover Refunding Bonds,
(Measure B) 2017 Series D (Taxable)**

<u>Maturity Date (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP* No. (672325)</u>	<u>Optional Redemption Date</u>	<u>Beneficial Owner</u>
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SCHEDULE OF 2019A BONDS TENDERED FOR EXCHANGE

**Oakland Unified School District
General Obligation Bonds
(Election of 2012), Series 2019A**

<u>Maturity Date (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP* No. (672325)</u>	<u>Optional Redemption Date</u>	<u>Beneficial Owner</u>
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EXHIBIT C

PROCEDURES AND DOCUMENTATION RELATING TO THE
TENDER AND EXCHANGE PROCESS

[To come]



PRESENTATION TO:

OAKLAND UNIFIED SCHOOL DISTRICT

TAXPAYER SAVINGS OPPORTUNITY



A SHANK WILLIAMS CISNEROS COMPANY



TAXPAYER SAVINGS VIA TENDER REFUNDING OPPORTUNITY

- A tender offer is a public offer by OUSD to purchase targeted bonds from investors at a predetermined price to generate taxpayer savings
- Tender offers are typically made via a standard official statement together with a document detailing the terms of the offer
- OUSD can lock-in taxpayer savings via a tender refunding issue, concurrently with a new money issuance, with support from a dealer manager and information agent

What Determines Success of Tender Offer?

- ✓ Widespread solicitation of bondholders
- ✓ Offer open for limited amount of time
- ✓ Offer to purchase a substantial amount of bonds outstanding
- ✓ Offer to purchase discounted bonds at a premium over current market price



Why Do Investors Typically Accept Tender Offers?

1. Attractive premium above discounted bond market price
2. Interest in converting holdings to cash





TAXPAYER SAVINGS VIA TENDER REFUNDING OPPORTUNITY (CONT.)

- A tender refunding, and the resulting savings, is **heavily dependent on investor participation** at the time of pricing
- Most tender refundings in the market have investor participation ranging from 25% to 75%
 - We have assumed investor participation ranging from 25% to 100% in the scenarios below
- OUSD can lock-in taxpayer savings ranging from \$4.0 million (25% investor participation) to \$16.6 million (100% investor participation) via a tender refunding of its outstanding general obligation bonds

Tender Refunding Analysis Results				
	25% Investor Participation	50% Investor Participation	75% Investor Participation	100% Investor Participation
Par Amount (\$)	60,650,000	121,190,000	181,730,000	242,310,000
Reoffering Prem. (\$)	3,969,203	7,931,837	11,894,684	15,859,231
Refunded Par (\$)	68,040,000	136,080,000	204,120,000	272,160,000
Gross Savings (\$)	4,033,977	8,244,758	12,454,740	16,600,705
PV Savings (\$)	2,420,578	4,959,567	7,498,419	9,995,193
PV Savings (%)	3.56%	3.64%	3.67%	3.67%

Assumptions: Rates as of 10/2/2023 (interest rate cushion of 25 bps), 10-year par call, and 25 bps bond insurance premium

Disclaimer

Siebert Williams Shank & Co., LLC (“SWS” or the “Firm”) is providing this information to the recipient (the “Recipient”) in reliance of the Recipient’s retention of an independent registered financial/municipal advisor (an “IRMA”) which is charged with acting solely in the best interests of the Recipient with regard to the information contained herein. SWS submits this information for the Recipient’s and its IRMA’s consideration in anticipation of the Firm serving as a prospective underwriter only, and not as a municipal advisor. The information contained herein is not advice being provided by a municipal advisor but instead is being provided solely in reliance upon the Recipient’s retention of an IRMA. Please see the important disclosures at the end of this document for further information about SWS’ role, the nature of the information provided herein, and the duties owed and not owed to the Recipient by SWS.

Disclosures About SWS’s Role as Underwriter, Not as Municipal Advisor

SWS is providing the information contained in this document for discussion purposes only as prospective underwriter or in anticipation of serving as underwriter on a future transaction, and not as financial advisor or municipal advisor. Should it serve as an underwriter, the primary role of SWS, as underwriter, will be to purchase securities with a view toward distribution and/or for resale to investors in an arm’s-length commercial transaction with the Recipient. As an underwriter, SWS would have financial and other interests that differ from those of the Recipient. An underwriter is required to deal fairly at all times with both issuers and investors. An underwriter has a duty to purchase securities from an issuer at a fair and reasonable price, but must balance that duty with its duty to sell municipal securities to investors at prices that are fair and reasonable. SWS, as underwriter, will review any official statement for the Recipient’s securities in accordance with, and as part of, its responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of the transaction. It is the obligation of the IRMA to provide advice and recommendations to the Recipient with only the best interests of the Recipient in mind.

By providing this information, SWS is not acting or seeking to act as a municipal advisor to the Recipient. Rather, as an underwriter acting for its own interest and unlike a municipal advisor, SWS will not have or owe a fiduciary duty to the Recipient pursuant to Section 15B of the Securities Exchange Act of 1934, as amended (the “Act”), and, therefore, is not required by federal law to act in the best interests of the Recipient without regard to its own financial or other interests. The Recipient should consult with its IRMA, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate before acting on any information or material contained herein. SWS is relying on the Recipient’s retention of the IRMA which owes fiduciary duties to it with regard to the information contained herein.

No Recommendations or Advice

Unless otherwise expressly stated herein, the information provided herein consists of general information that is factual in nature and may incorporate certain hypothetical information. SWS has presented structuring and marketing recommendations that should be evaluated by the IRMA. Such information, hypotheticals, facts and assumptions are not intended to be or to imply a recommendation or to be construed as “advice” within the meaning of Section 15B of the Act.

This document is prepared solely for the benefit of and consideration by the Recipient and its IRMA. No other person or entity should rely on the information set forth herein.

Additional Disclosures and Disclaimer

All information contained in this document was obtained from sources believed to be reliable and in good faith, but no representation or warranty, express or implied, is made as to its accuracy or completeness. All information, hypotheticals, facts and assumptions (including prices, rates, yields and other calculations) are current only as of the date of this report, and are subject to change without notice. Any estimations or hypothetical results based on market conditions or the occurrence of future events are based upon the best judgment of SWS from publicly available information as of the date of this report.

THERE IS NO GUARANTEE THAT ANY OF THESE
ESTIMATES OR HYPOTHETICALS WILL BE ACHIEVED.

Member FINRA & SIPC



October 2, 2023

Lisa Grant-Dawson
Chief Business Officer
Oakland Unified School District
1011 Union Street
Oakland, CA 94607

Re: **Bondholder Identification, Information, Tender Agent**
Oakland Unified School District
~\$800,000,000 - 94 CUSIPs

Dear Ms. Grant-Dawson:

It would be our pleasure to assist you to execute a tender offer for the above-described bonds by acting as your Identification, Information and Tender Agent. We look forward to working with you and your colleagues and are well equipped to execute this offer as your Agent.

Service Schedule

I. Bondholder Identification

We will research the relevant issues in order to develop a Beneficial Holder Identification Report. Globic Advisors (“Globic”) will use its best efforts to identify the maximum number of holders with positions in the Bonds, including holders who hold their Bonds in “Street Name”.

It is understood that any and all contact with the holders will be conducted in a manner authorized by the issuer for the sole purpose of performing the Holder Identification Study. It is further understood that Globic will execute and not deviate from the legal and the customary procedures governing the accumulation of holder information, whether it be confidentiality laws governing certain jurisdictions or the right of holders to choose not to divulge their information.

II. Information Agent

Upon launch of the offer, Globic will be responsible for the following:

- Providing assistance in developing the mechanical aspects of the offer strategy, taking into consideration known holder information;
- Providing assistance in crafting the language to be used in communicating the offer to the beneficial holders;
- Coordinating between the client and any printers/copy shops necessary for printing associated documents/materials necessary to effectuate the transaction;
- Transmitting the offer to the registered holders and beneficial owners along with their respective bank and brokers;

- Providing a help-line to handle questions from the Beneficial Holders, Custodians, Clearing Systems, and any other Intermediaries;
- Disseminating any notices during the offer period including the acceptance and settlement of the offer; and
- Setting up a dedicated section of the Globic Website detailing offer-related information, such as deadlines, document downloads, etc.

III. Tender Agent

Throughout the offer period, Globic will be responsible for the following:

- Setting up and remaining responsible for all operational relationships with the Depository Trust Company (“DTC”), including establishing an Automated Tender Offer Program (ATOP) account for the deal;
- If necessary, coordinating with Euroclear, Clearstream and any other foreign clearing systems regarding the mechanical receipt of tender instructions;
- Monitoring the ATOP account and reporting of results received by producing specialized reports throughout the offer period on an intra-day basis, analyzing available data to support continuous decision-making;
- Comparing tender instructions received with known holder data and new market data in order to track movements in the holder population throughout the tender period, as well as to identify any possible tender ‘hold-outs’;
- Dialoguing with Nominee back-offices in order to provide the working group with behind the scenes information on pending tenders;
- Coordinating with the Trustee and DTC, or any other clearing system as necessary to assure a successful settlement of the offer.

Professional Fees and Out-of-Pocket Expenses

Base Fee - Identification Agent	\$ 5,000
Base Fee - Information and Tender Agent:	\$ 10,000
CUSIP Fee (Fixed Price/Spread):	\$ 300 per CUSIP subject to the offer

If Necessary

Submissions Via Dutch Auction	\$ 200 per CUSIP subject Dutch Auction
Second Look Opportunity	\$ 200 per CUSIP subject Second Look
Exchange Offer	\$ 500 per CUSIP subject Exchange

Retail Broker Solicitation Fee Tabulation: \$ 200 per CUSIP receiving requests

Our fees will be charged at the rate as listed above, unless the scope of our engagement varies from the schedule as set forth above.

Out-of-pocket expenses and additional services will be separately billed at cost and are payable by you. Costs to print and mail (if necessary) may be payable directly by the client. Printing and mailing estimates are not included in our quote for service fees.

Processing fees of the Depository Trust Company are not included in our quote for service fees. DTC as holder of the global, book-entry certificate has begun to stipulate that an event processed via their Automated Tender Offer Program (ATOP) System be subject to DTC's 'Late Notification' fees should the offer be announced with less than ten days (\$2,000 per CUSIP) or five days (\$5,000 per CUSIP) in the offer period. In the event of proration at settlement or delivery of multiple wires to settle the offer, DTC may charge additional fees.

Confidentiality

We understand the confidential nature of this project. Accordingly, we will keep our work strictly confidential. Any data gathered will be made available to the issuer/obligor, its advisors or persons identified by you, as specifically directed in writing. Globic agrees to preserve the confidentiality of all non-public information provided by the client or its agents for Globic's use in fulfilling its obligations.

Sincerely,

Robert Stevens

Robert Stevens
President

Steps to Effect Settlement of the Tender Offer

Oakland Unified School District

I. Acceptance of Bonds:

1. Oakland Unified School District (the “District”) will deliver written notice to DTC and the underlying holders of its acceptance of bonds tendered for cash via a Notice of Final Acceptance.

II. Consideration Distribution and Cancellation of Bonds:

1. DTC will confirm that they agree with the allocation of funds to settle the tender offer.
2. On the Settlement Date, the District (or their designated agent) delivers to DTC funds to purchase the tendered bonds and pay accrued interest for tendered and bonds via a single wire.

Wire Instructions for DTC:

JPMorgan Chase Bank
ABA #021-0000-21
Four New York Plaza, New York, NY 10004
A/C Depository Trust Company
Reorg Deposit Account # 066-027608

Reference Wire: Oakland USD Tender Offer

*Please note that in order to distribute funds on the same day, DTC needs to have received the funds no later than *1 p.m. NYC Time*. We suggest sending the funds as early in the day as possible.
** DTC asks for the funds (aggregated by principal and interest) to be delivered via one wire and may charge a fee to process multiple wires. Delivering multiple wires may delay DTC’s allocation.

3. Upon receipt of the full tender consideration, DTC’s Voluntary Reorganization Department staff allocates the cash to all DTC Participants whose tender instructions were accepted. Participants will credit their client’s accounts.
4. DTC confirms this reduction to the Trustee, and will send/fax SCL, to the Trustee. These SCL write-downs inform Trustee that DTC has written-down its position in the bonds by the amount purchased in the offer.

DTC will send/fax the SCL to:

U.S. Bank Trust Company, National Association

U.S. BANK, NA

Karen Lei, Vice President
E-mail: karen.lei@usbank.com Phone: (415) 677-3596

Michelle Knutson, Vice President
E-mail: michelle.knutson@usbank.com Phone: (415) 677-3597

5. Upon write-down of the bonds, the Trustee confirms the cancellation of bonds to the District.

PRELIMINARY OFFICIAL STATEMENT DATED [OCTOBER 25], 2023

NEW ISSUES – BOOK-ENTRY ONLY

RATING: See “MISCELLANEOUS – Ratings.”

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

OAKLAND UNIFIED SCHOOL DISTRICT
(County of Alameda, California)

\$185,000,000*
General Obligation Bonds
(Election of 2020), Series 2023

[\$2023A REFUNDING PAR]*
General Obligation Refunding Bonds,
Series 2023A

[\$2023B REFUNDING PAR]*
General Obligation Refunding Bonds,
Series 2023B (Federally Taxable)

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

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

The Oakland Unified School District General Obligation Bonds (Election of 2020), Series 2023 (the “**Series 2023 Bonds**”) are being issued by the Oakland Unified School District (the “**District**”) and sold by the County of Alameda (the “**County**”) on behalf of the District to (i) finance specific construction and modernization projects approved by the voters, (ii) fund capitalized interest on the Series 2023 Bonds, and (iii) pay costs of issuance of the Series 2023 Bonds.

The Oakland Unified School District General Obligation Refunding Bonds, Series 2023A (the “**2023A Refunding Bonds**”), and the Oakland Unified School District General Obligation Refunding Bonds, Series 2023B (Federally Taxable) (the “**2023B Refunding Bonds**”) and, together with the 2023A Refunding Bonds, the “**Refunding Bonds**”) are being issued by the District. The 2023A Refunding Bonds are being issued to (i) purchase certain outstanding Oakland Unified School District (a) General Obligation Bonds (Election of 2012), Series 2015A (the “**2015A Bonds**”), (b) 2015 General Obligation Refunding Bonds (the “**2015 Refunding Bonds**”), (c) General Obligation Bonds (Election of 2006), Series 2016A (the “**2016A Bonds**”), (d) 2016 General Obligation Refunding Bonds (the “**2016 Refunding Bonds**”), (e) General Obligation Refunding Bonds, (Measure B) 2017 Series B (the “**2017B Refunding Bonds**”), (f) General Obligation Refunding Bonds, (Measure J) 2017 Series C (the “**2017C Refunding Bonds**”), (g) General Obligation Crossover Refunding Bonds, (Measure B) 2017 Series D (Taxable) (the “**2017D Refunding Bonds**”), and (h) General Obligation Bonds (Election of 2012), Series 2019A (the “**2019A Bonds**”) and, together with the 2015A Bonds, the 2015 Refunding Bonds, the 2016A Bonds, the 2016 Refunding Bonds, the 2017B Refunding Bonds, the 2017C Refunding Bonds and the 2017D Refunding Bonds, the “**Target Bonds**”) which are tendered and accepted for cash pursuant to the Invitation to Tender described herein; and (ii) pay costs of issuance of the Refunding Bonds. The 2023B Refunding Bonds are being issued to: (i) refund, on an advance basis, certain portions of the Target Bonds (such Target Bonds to be refunded herein referred to as the “**Refunded Bonds**”); and (ii) pay costs of issuance of the Refunding Bonds. As used herein, the “**Tax-Exempt Bonds**” are the Series 2023 Bonds and the 2023A Refunding Bonds, and the “**Taxable Bonds**” are the 2023B Refunding Bonds. The Tax-Exempt Bonds and the Taxable Bonds are herein referred to collectively as the “**Bonds**.”

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

The Bonds will be issued as current interest bonds. Interest on the Bonds is payable on each February 1 and August 1 to maturity, commencing [February 1, 2024]. Principal of the Bonds is payable on the dates in each of the years and in the amounts set forth on the inside front cover hereof.

The Bonds will be issued in denominations of \$5,000 principal amount, or any integral multiple thereof as shown on the inside front cover hereof.

[The scheduled payment of principal of and interest on the Series 2023 Bonds and 2023A Refunding Bonds (collectively, the “**Insured Bonds**”), when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Insured Bonds by [ISURER].]

[Insert Insurer Logo]

* Preliminary, subject to change.

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

The Bonds are subject to redemption prior to maturity as described herein.* See “THE BONDS – Redemption.”

**See Inside Front Cover for
Maturity Schedules**

The Series 2023 Bonds will be offered when, as and if issued by the District and received by Siebert Williams Shank & Co., LLC, as representative (the “Representative”) on behalf of itself and Stifel, Nicolaus & Company, Incorporated (“Stifel” and, together with the Representative, the “Series 2023 Underwriters”), subject to the approval of legality by Orrick, Herrington & Sutcliffe LLP, San Francisco, California, Bond Counsel to the District. The Refunding Bonds will be offered when, as and if issued by the District and received by Siebert Williams Shank & Co., LLC (the “Refunding Underwriter” and, together with the Series 2023 Underwriters, the “Underwriters”), subject to the approval of legality by Orrick, Herrington & Sutcliffe LLP, San Francisco, California, Bond Counsel to the District. Certain legal matters will be passed upon for the District by Orrick, Herrington & Sutcliffe LLP, as Disclosure Counsel to the District. Certain legal matters will be passed upon for the Underwriters by Husch Blackwell LLP, Oakland, California. Isom Advisors, a Division of Urban Futures, Inc., Walnut Creek, California, serves as Municipal Advisor to the District in connection with the issuance of the Bonds. It is anticipated that the Bonds, in book-entry form, will be available for delivery through the facilities of DTC on or about November __, 2023.

[Siebert Logo]

[Stifel Logo]

Dated: _____, 2023.

MATURITY SCHEDULES

**OAKLAND UNIFIED SCHOOL DISTRICT
(County of Alameda, California)**

\$185,000,000*

General Obligation Bonds (Election of 2020), Series 2023

<u>Maturity Date (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield†</u>	<u>CUSIP No.‡ (672325)</u>
-------------------------------------	-----------------------------	----------------------	---------------	--------------------------------

\$ _____ % Term Bonds due August 1, 20__ Yield† _____% CUSIP No.‡ 672325 _____

* Preliminary, subject to change.

† Yields certified by the Underwriters. The District takes no responsibility therefor.

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[\$[2023A REFUNDING PAR]*
General Obligation Refunding Bonds, Series 2023A

Maturity Date (August 1)	Principal Amount	Interest Rate	Yield†	CUSIP No.‡ (672325)
-------------------------------------	-----------------------------	----------------------	---------------	--------------------------------

\$ _____ % Term Bonds due August 1, 20__ Yield† _____% CUSIP No.‡ 672325 _____

[\$[2023B REFUNDING PAR]*
General Obligation Refunding Bonds, Series 2023B

Maturity Date (August 1)	Principal Amount	Interest Rate	Yield†	CUSIP No. ‡ (672325)
-------------------------------------	-----------------------------	----------------------	---------------	---------------------------------

\$ _____ % Term Bonds due August 1, 20__ Yield† _____% CUSIP No.‡ 672325 _____

* Preliminary, subject to change. The principal amount of Refunding Bonds will be determined by the principal amount of the Target Bonds (as defined herein), if any, tendered for purchase and accepted.

† Yields certified by the Underwriters. The District takes no responsibility therefor.

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

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

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

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

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

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

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

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE BONDS AT LEVELS ABOVE THOSE THAT MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITERS MAY OFFER AND SELL THE BONDS TO CERTAIN SECURITIES DEALERS AND DEALER BANKS AND BANKS ACTING AS AGENTS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE FRONT COVER PAGE HEREOF AND SAID PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS.

[[Insurer] (“[]”) makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, [] has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding [], supplied by [] and presented under the heading “BOND INSURANCE” and APPENDIX H – “SPECIMEN MUNICIPAL BOND INSURANCE POLICY.”]

COUNTY OF ALAMEDA, CALIFORNIA

Board of Supervisors

Nate Miley, *President (District 4)*
David Haubert, *Vice President (District 1)*
Elisa Márquez, *Member (District 2)*
Lena Tam, *Member (District 3)*
Keith Carson, *Member (District 5)*

Administration

Henry C. Levy, *Treasurer-Tax Collector*
Melissa Wilk, *Auditor-Controller*

OAKLAND UNIFIED SCHOOL DISTRICT

Board of Education

Mike Hutchinson, *President (District 4)*
Benjamin “Sam” Davis, *Vice President (District 1)*
Jennifer Brouhard, *Member (District 2)*
VanCedric Williams, *Member (District 3)*
*Vacancy, (District 5)**
Valarie Bachelor, *Member (District 6)*
Clifford Thompson, *Member (District 7)*

Administration

Dr. Kyla Johnson-Trammell, *Superintendent*
Dr. Dexter Moore, Jr., *Acting Chief of Staff*
Lisa Grant-Dawson, *Chief Business Officer*
Preston Thomas, *Chief Systems and Services Officer*
Kenya Chatman, *Executive Facilities Director*
Ryannhon Nguyen, *Controller*
Jenine Lindsey, *Interim General Counsel*

PROFESSIONAL SERVICES

Bond Counsel and Disclosure Counsel

Orrick, Herrington & Sutcliffe LLP
San Francisco, California

Municipal Advisor

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

Paying Agent and Escrow Agent

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

Tender Agent

Globic Advisors
[City, State]

Verification Agent

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

* The vacancy on the Board of Education of the District is expected to be filled following a special election for such seat to be held on November 7, 2023.

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**OAKLAND UNIFIED SCHOOL DISTRICT
(County of Alameda, California)**

\$185,000,000*
General Obligation Bonds
(Election of 2020), Series 2023

[\$2023A REFUNDING PAR]*
General Obligation Refunding Bonds,
Series 2023A

[\$2023B REFUNDING PAR]*
General Obligation Refunding Bonds,
Series 2023B (Federally Taxable)

INTRODUCTION

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

General

This Official Statement, which includes the cover page and appendices hereto (this “**Official Statement**”), is provided to furnish information in connection with the sale of (i) \$185,000,000* aggregate principal amount of Oakland Unified School District General Obligation Bonds (Election of 2020), Series 2023 (the “**Series 2023 Bonds**”), (ii) [\$2023A REFUNDING PAR]* aggregate principal amount of Oakland Unified School District General Obligation Refunding Bonds, Series 2023A (the “**2023A Refunding Bonds**”), and (iii) [\$2023B REFUNDING PAR]* aggregate principal amount of Oakland Unified School District General Obligation Refunding Bonds, Series 2023B (Federally Taxable) (the “**2023B Refunding Bonds**” and, together with the 2023A Refunding Bonds, the “**Refunding Bonds**”), as described more fully herein. As used herein, the “**Tax-Exempt Bonds**” are the Series 2023 Bonds and the 2023A Refunding Bonds and the “**Taxable Bonds**” are the 2023B Refunding Bonds. The Tax-Exempt Bonds and the Taxable Bonds are herein referred to collectively as the “**Bonds.**”

This Official Statement speaks only as of its date, and the information contained herein is subject to change. Oakland Unified School District (the “**District**”) has no obligation to update the information in this Official Statement, except as required by the Continuing Disclosure Certificate to be executed by the District. See “OTHER LEGAL MATTERS – Continuing Disclosure.”

The purpose of this Official Statement is to supply information to prospective buyers of the Bonds. Quotations from and summaries and explanations of the Bonds, the resolutions of the Board of Education of the District (the “**Board of Education**”) and the Board of Supervisors of the County of Alameda (the “**County**”) with respect to the Bonds, and the constitutional provisions, statutes and other documents described herein, do not purport to be complete, and reference is hereby made to said documents, constitutional provisions and statutes for the complete provisions thereof.

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

Copies of documents referred to herein and information concerning the Bonds are available from the District by contacting: Oakland Unified School District, 1011 Union Street, Oakland, California 94607, Attention: Chief Business Officer. The District may impose a charge for copying, handling and mailing such requested documents.

The District

The District is located in and is approximately coterminous with the City of Oakland, California (the “**City**”), located on the east side of the San Francisco Bay approximately seven miles from San Francisco. The

* Preliminary, subject to change.

District's boundaries also include small portions of the neighboring cities of Emeryville and Alameda. The District encompasses approximately 53.8 square miles, including a diverse economy of industry, services, health care, retail, and other commercial activity. As of December 2022, the District had a population of approximately 430,700, and as of January 1, 2023, the City had a population of approximately 413,556. The District was unified in 1952, combining then-existing high school and elementary school districts.

The District currently operates forty-seven elementary schools serving grades TK-5, three elementary/middle schools serving grades TK-8, eleven middle schools serving grades 6-8, three middle/high schools serving grades 6-12, seven comprehensive senior high schools serving grades 9-12, six alternative high school programs and one continuation school program. [Thirty-nine charter schools currently operate within the District's boundaries.] The District has projected enrollment for fiscal year 2023-24 of approximately 33,683 students in grades K-12, not including the students attending the charter schools. As of June 30, 2023, the District has budgeted to employ approximately 4,435.4 full-time equivalent ("FTE") employees, including 2,285.0 FTE certificated (teaching) employees, 1,636.5 FTE classified (non-teaching) employees and 513.9 management, supervisory and confidential employees. According to the adopted budget for fiscal year 2023-24, the District's budgeted fiscal year 2023-24 general fund expenditures are approximately \$802.8 million.

The District operates under the jurisdiction of the Alameda County Superintendent of Schools. The District is governed by a Board of Education consisting of seven members. The members of the Board of Education are elected by Trustee Area to four-year terms in staggered years. The Superintendent acts as the chief executive officer of the District. Dr. Kyla Johnson-Trammell has served as Superintendent since July 2017. For additional information regarding the Superintendent and the District's financial and fiscal administrative personnel, see APPENDIX B – "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET – THE DISTRICT – Superintendent and Key Personnel."

In fiscal year 2002-03, the District received an emergency loan from the State of California (the "State"). As long as the emergency loan made by the State to the District remains outstanding, a trustee appointed by the State Superintendent of Public Instruction (the "State Trustee") will monitor and review the District's operations, with the power to stay or rescind any action of the Board of Education that may affect the District's financial condition. AB 1840 (defined herein) modified the State Trustee position including retitling the position to "Fiscal Oversight Trustee." For additional information regarding the recent history of the District's finances and governance and the powers of the Fiscal Oversight Trustee, see "RISK FACTORS" and APPENDIX B – "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET – THE DISTRICT – Fiscal Oversight."

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

THE BONDS

Authority for Issuance

Series 2023 Bonds. The Series 2023 Bonds are being issued by the District and sold by the County on behalf of the District pursuant to the Constitution and laws of the State, including Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State (the "Government Code") and Chapters 1 and 1.5 of Part 10 of Division 1 of Title 1 of the Education Code of the State (the "Education Code") and other applicable provisions of law. The Series 2023 Bonds are authorized to be issued by a resolution adopted by the Board of Supervisors of the County on [October 24], 2023 (the "County Resolution"), at the request of the District by its resolution, adopted by the Board of Education of the District on September 13, 2023 (the "Series 2023 District Resolution"). The Series 2023 Bonds are issued pursuant to a paying agent agreement, dated as of November 1, 2023 (the "Series 2023 Paying Agent Agreement"), by and between the District and U.S. Bank Trust Company, National Association, as paying agent (the "Paying Agent"), and acknowledged by the Treasurer-Tax Collector of the County of Alameda (the "County Treasurer").

Refunding Bonds. The Refunding Bonds are being issued by the District pursuant to the Constitution and laws of the State, including Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code,

applicable provisions of the Education Code and other applicable provisions of law. The Refunding Bonds are authorized by a resolution adopted by the Board of Education on [October 11], 2023 (the “**Refunding District Resolution**” and, together with the Series 2023 District Resolution, the “**District Resolutions**”), and are being issued pursuant to a paying agent agreement, dated as of November 1, 2023 (the “**Refunding Paying Agent Agreement**” and, together with the Series 2023 Paying Agent Agreement, the “**Paying Agent Agreements**”), by and between the District and the Paying Agent, and acknowledged by the County Treasurer.

Purpose of Issuance

Series 2023 Bonds. The District received authorization to issue bonds of the District in an aggregate principal amount not to exceed \$735,000,000 to finance specific school facility construction, repair and improvement projects pursuant to an election held on November 3, 2020 (the “**2020 Authorization**”). The measure required approval by at least 55% of the votes cast by eligible voters within the District and received an affirmative vote of approximately 77.7%. The Series 2023 Bonds will represent the third series of authorized bonds to be issued under the 2020 Authorization and will be issued to finance authorized projects. There will be \$365,000,000* remaining unissued amount of the 2020 Authorization following the issuance of the Series 2023 Bonds.

Refunding Bonds. Proceeds of the 2023A Refunding Bonds will be applied to: (i) purchase certain outstanding Oakland Unified School District (a) General Obligation Bonds (Election of 2012), Series 2015A (the “**2015A Bonds**”), (b) 2015 General Obligation Refunding Bonds (the “**2015 Refunding Bonds**”), (c) General Obligation Bonds (Election of 2006), Series 2016A (the “**2016A Bonds**”), (d) 2016 General Obligation Refunding Bonds (the “**2016 Refunding Bonds**”), (e) General Obligation Refunding Bonds, (Measure B) 2017 Series B (the “**2017B Refunding Bonds**”), (f) General Obligation Refunding Bonds, (Measure J) 2017 Series C (the “**2017C Refunding Bonds**”), (g) General Obligation Crossover Refunding Bonds, (Measure B) 2017 Series D (Taxable) (the “**2017D Refunding Bonds**”), and (h) General Obligation Bonds (Election of 2012), Series 2019A (the “**2019A Bonds**” and, together with the 2015A Bonds, the 2015 Refunding Bonds, the 2016A Bonds, the 2016 Refunding Bonds, the 2017B Refunding Bonds, the 2017C Refunding Bonds and the 2017D Refunding Bonds, the “**Target Bonds**”) which are tendered and accepted for cash pursuant to the Invitation to Tender described herein; and (ii) pay costs of issuance of the Refunding Bonds.

Proceeds of the 2023B Refunding Bonds will be applied to: (i) refund, on an advance basis, certain portions of the Target Bonds (such Target Bonds to be refunded herein referred to as the “**Refunded Bonds**”); and (ii) pay costs of issuance of the Refunding Bonds.

Form and Registration

The Bonds will be issued in fully registered form only, in denominations of \$5,000 principal amount or integral multiples thereof. The Bonds will initially be registered in the name of Cede & Co., as nominee of The Depository Trust Company (“**DTC**”), New York, New York. DTC will act as securities depository of the Bonds. Purchases of Bonds under the DTC book-entry system must be made by or through a DTC participant, and ownership interests in each series of the Bonds or any transfer thereof will be recorded as entries on the books of said participants. Except in the event that use of this book-entry system is discontinued for the Bonds, beneficial owners (“**Beneficial Owners**” or “**Owners**”) will not receive physical certificates representing their ownership interests. Principal and interest will be paid by the Paying Agent to DTC, which will in turn remit such payments to its participants, for subsequent distribution to Beneficial Owners of the Bonds, as described herein. See APPENDIX G – “BOOK-ENTRY ONLY SYSTEM.”

Payment of Principal and Interest

The Bonds will be dated the date of their delivery, and bear interest at the rates set forth on the inside front cover page of this Official Statement, payable on February 1 and August 1 of each year (each, an “**Interest Payment Date**”), commencing on [February 1, 2024], computed using a year of 360 days consisting of twelve 30-day months. Each Bond authenticated and registered on any date prior to the close of business on [January 15, 2024] will bear

* Preliminary, subject to change.

interest from the date of their delivery. Bonds authenticated during the period between the 15th day of the calendar month immediately preceding an Interest Payment Date (the “**Record Date**”) and the close of business on that Interest Payment Date will bear interest from that Interest Payment Date. Any other Bond will bear interest from the Interest Payment Date immediately preceding the date of its authentication. If, at the time of authentication of any Bond, interest is then in default on outstanding Bonds, such Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Payment of interest on any Bond on each Interest Payment Date (or on the following business day, if the Interest Payment Date does not fall on a business day) will be made to the person appearing on the registration books of the Paying Agent as the registered Owner thereof as of the Record Date, such interest to be paid by check or draft mailed to such Owner at such Owner’s address as it appears on such registration books or at such other address as the Owner may have filed with the Paying Agent for that purpose on or before the Record Date. The Owner of an aggregate principal amount of \$1,000,000 or more of Bonds may request in writing to the Paying Agent that such Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the applicable Record Date.

Principal of the Bonds is payable on the dates set forth in the maturity schedules on the inside cover page hereof, upon surrender thereof at such office of the Paying Agent as the Paying Agent shall designate. The interest, principal and premium, if any, on the Bonds will be payable in lawful money of the United States of America from moneys on deposit in the interest and sinking fund of the District (the “**Interest and Sinking Fund**”) within the County treasury, consisting of *ad valorem* property taxes collected and held by the County Treasurer, together with any accrued interest received, upon issuance of the Bonds.

So long as all outstanding Bonds are held in book-entry form and registered in the name of a securities depository or its nominee, all payments of principal of, premium, if any, and interest on the Bonds and all notices with respect to such Bonds will be made and given, respectively, to such securities depository or its nominee and not to Beneficial Owners. So long as the Bonds are held by Cede & Co., as nominee of DTC, payment will be made by wire transfer.

Redemption*

Optional Redemption of Series 2023 Bonds. The Series 2023 Bonds maturing on or before August 1, 20__, are not subject to optional redemption prior to their respective stated maturity dates. The Series 2023 Bonds maturing on or after August 1, 20__, are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part on any date, on or after August 1, 20__, at a redemption price equal to 100% of the principal amount of Series 2023 Bonds to be redeemed, without premium, together with interest accrued thereon to the date fixed for redemption.

Optional Redemption of 2023A Refunding Bonds. The 2023A Refunding Bonds maturing on or before August 1, 20__, are not subject to optional redemption prior to their respective stated maturity dates. The 2023A Refunding Bonds maturing on or after August 1, 20__, are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part on any date, on or after August 1, 20__, at a redemption price equal to 100% of the principal amount of 2023A Refunding Bonds to be redeemed, without premium, together with interest accrued thereon to the date fixed for redemption.

[***Optional Redemption of 2023B Refunding Bonds.*** The 2023B Refunding Bonds are not subject to optional redemption prior to maturity.]

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

* Preliminary, subject to change.

Mandatory Sinking Fund Redemption Date (August 1)	Principal Amount to be Redeemed
†	
† Maturity.	

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

Mandatory Sinking Fund Redemption Date (August 1)	Principal Amount to be Redeemed
†	
† Maturity.	

The principal amount to be redeemed in each year shown in the tables above will be reduced at the option of the District, in integral multiples of \$5,000, by the amount of such Term Bond optionally redeemed prior to the mandatory sinking fund redemption date, if any.

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

Selection of Bonds for Redemption. If less than all of a series of the Bonds are called for redemption, the Bonds will be redeemed in inverse order of maturities or as otherwise directed by the District. If less than all of the Bonds of any given maturity are called for redemption, the portions of such Bonds of a given maturity to be redeemed will be determined by lot. For purposes of such selection, each Bond will be deemed to consist of individual Bonds of denominations of \$5,000 principal amount each, which may be separately redeemed.

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

Each notice of redemption shall contain all of the following information: (i) the date of such notice; (ii) the name of the affected Bonds and the date of issue of the Bonds; (iii) the date fixed for redemption; (iv) the redemption price; (v) the dates of maturity of the Bonds to be redeemed; (vi) if less than all of the then outstanding Bonds are to be redeemed, the distinctive serial numbers of the Bonds of each maturity to be redeemed; (vii) in the case of Bonds redeemed in part only, the respective portions of the principal amount of the Bonds of each maturity to be redeemed; (viii) the CUSIP number, if any, of each maturity of Bonds to be redeemed; (ix) a statement that such Bonds must be surrendered by the Owners at the office of the Paying Agent designated by the Paying Agent for such purpose; (x) notice that further interest on such Bonds will not accrue after the designated redemption date; and (xi) in the case of a conditional notice, that such notice is conditioned upon certain circumstances and the manner of rescinding such conditional notice. The actual receipt by any Owner of any Bond of notice of such redemption will not be a condition precedent to redemption, and failure to receive such notice, or any defect in the notice given, will not affect the validity of the proceedings for the redemption of such Bonds or the cessation of interest on the date fixed for redemption.

Effect of Notice of Redemption. When notice of redemption has been given substantially as provided for in the respective Paying Agent Agreement, and when the redemption price of the Bonds called for redemption is set aside for the purpose as described in such Paying Agent Agreement, the Bonds designated for redemption will become due and payable on the specified redemption date and interest will cease to accrue thereon as of the redemption date, and upon presentation and surrender of such Bonds at the place specified in the notice of redemption, such Bonds will be redeemed and paid at the redemption price thereof out of the money provided therefor. The Owners of such Bonds so called for redemption after such redemption date will look for the payment of such Bonds and the redemption premium thereon, if any, only to moneys on deposit for the purpose in the Interest and Sinking Fund of the District or the escrow fund established for such purpose. All Bonds redeemed will be cancelled forthwith by the Paying Agent and will not be reissued.

Conditional Notice. Any notice of optional redemption delivered in accordance with the respective Paying Agent Agreement may be conditioned on any fact or circumstance stated therein, and if such condition will not have been satisfied on or prior to the redemption date stated in such notice, said notice will be of no force and effect on and as of the stated redemption date, the redemption will be cancelled, and the District will not be required to redeem the Bonds that were the subject of the notice. The Paying Agent will give notice of such cancellation and the reason therefor in the same manner in which notice of redemption was originally given. The actual receipt by the Owner of any Bond of notice of such cancellation will not be a condition precedent to cancellation, and failure to receive such notice or any defect in such notice will not affect the validity of the cancellation.

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

Defeasance of Bonds

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

If at any time the District pays or causes to be paid or there shall otherwise be paid to the Owners of any or all outstanding Bonds all of the principal, interest and premium, if any, represented by such Bonds when due, or as described above, or as otherwise provided by law, then such Owners shall cease to be entitled to the obligation of the County to levy and collect taxes to pay the Bonds and such obligation and all agreements and covenants of the District and of the County to such Owners under the respective Paying Agent Agreement and the Bonds shall thereupon be satisfied and discharged and shall terminate, except only that the District will remain liable for payment of all principal, interest and redemption premium, if any, represented by the Bonds, but only out of moneys on deposit in the Interest and Sinking Fund or otherwise held in trust for such payment, provided, that the unclaimed moneys provisions described below shall apply in all events.

Unclaimed Moneys

Any money held in any fund created pursuant to the Paying Agent Agreements, or held by the Paying Agent in trust, for the payment of the principal of, redemption premium, if any, or interest on the Bonds and remaining unclaimed for two years after the principal of all of the Bonds has become due and payable (whether by maturity or upon prior redemption) will be transferred to the Interest and Sinking Fund for payment of any outstanding bonds of

the District payable from said fund; or, if no such bonds of the District are at such time outstanding, said moneys shall be transferred to the general fund of the District (the “**General Fund**”) as provided and permitted by law.

[Bond Insurance

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

For additional considerations regarding [] and the Policy, see “MISCELLANEOUS – Ratings.”]

Application of Series 2023 Bond Proceeds

The proceeds from the sale of the Series 2023 Bonds, exclusive of any premium and accrued interest received, if any, will be deposited in the County treasury to the credit of the building fund of the District (the “**Building Fund**”). Any premium or accrued interest received will be deposited in the Interest and Sinking Fund in the County treasury. Earnings on the investment of moneys in either fund will be retained in that fund and used only for the purposes to which that fund may lawfully be applied. Moneys in the Building Fund may only be applied for the purposes for which the Series 2023 Bonds were approved. Moneys in the Interest and Sinking Fund may only be applied to make payments of interest, principal, and premium, if any, on bonds of the District.

A portion of the proceeds of the Series 2023 Bonds will be retained by the Paying Agent in a Costs of Issuance Account and used to pay costs associated with the issuance of the Series 2023 Bonds. All funds held by the County Treasurer under the Series 2023 District Resolution, the County Resolution and the Series 2023 Paying Agent Agreement will be invested in the County Treasurer’s investment pool, the State Treasurer’s Local Agency Investment Fund, or any investment authorized pursuant to Sections 53601 and 53635 of the Government Code, all pursuant to law and the investment policy of the County. At the written direction of the District, all or any portion of the Building Fund may be invested in the Local Agency Investment Fund in the treasury of the State, and all or any portion of the Building Fund may be invested on behalf of the District in investment agreements, including guaranteed investment contracts, which comply with the requirements of Section 148 of the Internal Revenue Code of 1986 (the “**Code**”) and the requirements of each rating agency then rating the Bonds (if any) necessary to maintain the then-current rating on the Bonds. See APPENDIX F – “COUNTY OF ALAMEDA ANNUAL INVESTMENT POLICY AND INVESTMENT REPORT.”

Plan of Refunding

2023A Refunding Bonds Tender for Purchase [or Exchange]. The District, with the assistance of Siebert Williams Shank & Co., LLC, as dealer manager (the “**Dealer Manager**”), released an Invitation to Tender Bonds on [October 25], 2023 (the “**Invitation to Tender**”), inviting owners of certain maturities of the Target Bonds to tender such Target Bonds for purchase by the District.

If issued, proceeds of the 2023A Refunding Bonds would be applied to pay the purchase price of certain maturities of the Target Bonds that are accepted for tender for cash [or exchange], if any. On the date of delivery of the 2023A Refunding Bonds (the “**Cancellation Date**”), a portion of the net proceeds of the 2023A Refunding Bonds will be applied to fund the purchase of the respective Target Bonds that are accepted for tender for cash [or exchange], established pursuant to that certain letter by Globic Advisors, as tender agent to the District (the “**Tender Agent**”) accepting the agreement of the Tender Agent to act in such capacity on behalf of the District (the “**Tender Agent Agreement**”) by and between the District and the Tender Agent. Upon such purchase, the Target Bonds tendered for purchase will no longer be outstanding under the authorizing resolutions of the District and County and paying agent agreements pursuant to which they were issued.

If issued, the District intends to use a portion of the proceeds from the sale of the 2023A Refunding Bonds to pay costs of issuance of the Refunding Bonds.

If issued, the proceeds from the sale of the 2023A Refunding Bonds would be used to tender for purchase [or exchange], certain outstanding bonds of the District, including the Target Bonds listed below.

**Oakland Unified School District
General Obligation Bonds
(Election of 2012), Series 2015A**

Maturity Date (August 1)	Principal Amount	Interest Rate	CUSIP* No. (672325)	Optional Redemption Date
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**Oakland Unified School District
2015 General Obligation Refunding Bonds**

Maturity Date (August 1)	Principal Amount	Interest Rate	CUSIP* No. (672325)	Optional Redemption Date
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**Oakland Unified School District
General Obligation Bonds
(Election of 2006), Series 2016A**

Maturity Date (August 1)	Principal Amount	Interest Rate	CUSIP* No. (672325)	Optional Redemption Date
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**Oakland Unified School District
2016 General Obligation Refunding Bonds**

Maturity	Principal	Interest	CUSIP*	Optional
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<u>Date (August 1)</u>	<u>Amount</u>	<u>Rate</u>	<u>No. (672325)</u>	<u>Redemption Date</u>
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**Oakland Unified School District
General Obligation Refunding Bonds,
(Measure B) 2017 Series B**

<u>Maturity Date (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP* No. (672325)</u>	<u>Optional Redemption Date</u>
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**Oakland Unified School District
General Obligation Refunding Bonds,
(Measure J) 2017 Series C**

<u>Maturity Date (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP* No. (672325)</u>	<u>Optional Redemption Date</u>
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**Oakland Unified School District
General Obligation Crossover Refunding Bonds,
(Measure B) 2017 Series D (Taxable)**

Maturity Date (August 1)	Principal Amount	Interest Rate	CUSIP* No. (672325)	Optional Redemption Date
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**Oakland Unified School District
General Obligation Bonds
(Election of 2012), Series 2019A**

Maturity Date (August 1)	Principal Amount	Interest Rate	CUSIP* No. (672325)	Optional Redemption Date
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Owners of the Target Bonds must review the Invitation to Tender for further information regarding the District’s offer. The Invitation to Tender provides that all tenders for purchase [or exchange] must be made on or before [November 7], 2023 (the “**Expiration Date**”), as may be revised pursuant to the Invitation to Tender. Following the Expiration Date, on [November 8], 2023, the District will determine whether to accept the Target Bonds tendered for purchase [or exchange]. The District anticipates that, subject to market conditions, all Target Bonds that are not tendered for purchase [or exchange] will remain unchanged. *The District reserves the right to cancel or modify the Invitation to Tender at any time on or prior to the acceptance date and reserves the right to make a future invitation to tender bonds at prices different than the offer purchase prices described in the Invitation to Tender, or a future invitation to exchange bonds for new bonds with terms different than the terms described in the Invitation to Tender, [in its sole discretion]. The District will have no obligation to purchase [or exchange, as applicable,] Target Bonds offered pursuant to the Invitation to Tender. Nothing in the Invitation to Tender limits the District’s ability to refund the Target Bonds at any time or in the future.*

2023B Refunding Bonds Advance Refunding. A portion of the proceeds from the sale of the 2023B Refunding Bonds will be deposited in an escrow fund (the “**Escrow Fund**”) to be created and maintained by U.S. Bank Trust Company, National Association, acting as escrow agent (the “**Escrow Bank**”) under that certain Escrow Agreement, dated as of November 1, 2023 (the “**Escrow Agreement**”), by and between the District and the Escrow Bank. Moneys in the Escrow Fund will be invested in cash or United States government obligations the payment of the principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of

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America, and applied to pay all principal of, redemption premium and interest on the Refunded Bonds on and prior to the date designated for their redemption as set forth below. See “ESCROW VERIFICATION.”

A portion of the proceeds of the 2023B Refunding Bonds will be deposited with the Paying Agent, in a Costs of Issuance Account and used to pay costs associated with the issuance of the Refunding Bonds and the refunding of the Refunded Bonds. Any proceeds of sale of the 2023B Refunding Bonds not needed to fund the Escrow Fund will be transferred to the County Treasurer for deposit in the District’s Interest and Sinking Fund, and applied only for payment of principal of and interest on outstanding bonds of the District. Amounts deposited into the Interest and Sinking Fund, as well as proceeds of taxes held therein for payment of the Refunding Bonds, will be invested at the sole discretion of the County Treasurer pursuant to law and the investment policy of the County. See APPENDIX F – “COUNTY OF ALAMEDA ANNUAL INVESTMENT POLICY AND INVESTMENT REPORT.”

Causey Demgen & Moore P.C., a certified public accountant licensed to practice within the State, acting as verification agent (the “**Verification Agent**”) with respect to the Escrow Fund, will verify the mathematical accuracy of the computations relating to the sufficiency of the moneys proposed to be deposited and invested in the Escrow Fund, together with earnings thereon and any uninvested money, for the payment of interest on the Refunded Bonds to the respective redemption dates of the Refunded Bonds, and the redemption prices of the Refunded Bonds on such redemption dates.

The Refunded Bonds to be refunded by the 2023B Refunding Bonds are as follows*:

**Oakland Unified School District
General Obligation Bonds
(Election of 2012), Series 2015A**

Maturity Date (August 1)	Principal Amount	Interest Rate	CUSIP [†] No. (672325)	Optional Redemption Date
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**Oakland Unified School District
2015 General Obligation Refunding Bonds**

Maturity Date (August 1)	Principal Amount	Interest Rate	CUSIP [†] No. (672325)	Optional Redemption Date
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* Preliminary, subject to change.

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**Oakland Unified School District
General Obligation Bonds
(Election of 2006), Series 2016A**

Maturity Date (August 1)	Principal Amount	Interest Rate	CUSIP [†] No. (672325)	Optional Redemption Date
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**Oakland Unified School District
2016 General Obligation Refunding Bonds**

Maturity Date (August 1)	Principal Amount	Interest Rate	CUSIP* No. (672325)	Optional Redemption Date
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**Oakland Unified School District
General Obligation Refunding Bonds,
(Measure B) 2017 Series B**

Maturity Date (August 1)	Principal Amount	Interest Rate	CUSIP* No. (672325)	Optional Redemption Date
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**Oakland Unified School District
General Obligation Refunding Bonds,
(Measure J) 2017 Series C**

Maturity Date (August 1)	Principal Amount	Interest Rate	CUSIP* No. (672325)	Optional Redemption Date
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**Oakland Unified School District
General Obligation Crossover Refunding Bonds,
(Measure B) 2017 Series D (Taxable)**

Maturity Date (August 1)	Principal Amount	Interest Rate	CUSIP* No. (672325)	Optional Redemption Date
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**Oakland Unified School District
General Obligation Bonds
(Election of 2012), Series 2019A**

Maturity Date (August 1)	Principal Amount	Interest Rate	CUSIP* No. (672325)	Optional Redemption Date
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ESTIMATED SOURCES AND USES OF FUNDS

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

	Series 2023 Bonds	2023A Refunding Bonds	2023B Refunding Bonds	Total
Sources of Funds				
Par Amount				
[Net] Original Issue [Premium/Discount]				
Total Sources of Funds:				
Uses of Funds				
Deposit to Building Fund				
Deposit to Interest and Sinking Fund				
Deposit to Escrow Fund				
[Purchase Price Upon Tender Exchange of Target Bonds]				
Costs of Issuance ⁽¹⁾				
Underwriters' Discount				
Total Uses of Funds:				

⁽¹⁾ Includes fees for Bond Counsel, Disclosure Counsel, Municipal Advisor, Paying Agent, Escrow Agent, Verification Agent, Dealer Manager, Tender Agent, [Bond Insurance premium], printing, rating agency, and other miscellaneous expenses.

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DEBT SERVICE SCHEDULES

Semi-Annual Debt Service Payments for the Bonds

The following table shows the semi-annual debt service requirements of the Bonds, assuming no early redemptions:

Series 2023 Bonds

<u>Period Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2/1/2024			
8/1/2024			
2/1/2025			
8/1/2025			
2/1/2026			
8/1/2026			
2/1/2027			
8/1/2027			
2/1/2028			
8/1/2028			
2/1/2029			
8/1/2029			
2/1/2030			
8/1/2030			
2/1/2031			
8/1/2031			
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8/1/2042			
2/1/2043			
8/1/2043			
2/1/2044			
8/1/2044			
2/1/2045			
8/1/2045			
2/1/2046			
8/1/2046			
2/1/2047			
8/1/2047			
2/1/2048			
8/1/2048			
Total	_____	_____	_____

Refunding Bonds

Period Ending	2023A Refunding Bonds		2023B Refunding Bonds		Total Debt Service
	Principal	Interest	Principal	Interest	
2/1/2024					
8/1/2024					
2/1/2025					
8/1/2025					
2/1/2026					
8/1/2026					
2/1/2027					
8/1/2027					
2/1/2028					
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2/1/2038					
8/1/2038					
2/1/2039					
8/1/2039					
2/1/2040					
8/1/2040					
2/1/2041					
8/1/2041					
Total	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____

Combined Annual Debt Service

In addition to the Bonds, the District has other outstanding series of general obligation bonds that are on parity with the Bonds. See APPENDIX B – “INFORMATION RELATING TO THE DISTRICT’S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS – District Debt Structure.” Prior to issuance of the Bonds, annual debt service obligations for all outstanding general obligation bonds of the District (assuming no optional redemptions prior to maturity) are expected to be as follows:

Period Ending (August 1)	Outstanding Bonds⁽¹⁾⁽²⁾	Series 2023 Bonds	2023A Refunding Bonds	2023B Refunding Bonds	Total Annual Debt Service
2024	\$99,157,113.76				
2025	98,664,919.02				
2026	93,996,908.92				
2027	82,275,896.66				
2028	83,152,961.98				
2029	85,125,401.06				
2030	86,810,727.02				
2031	78,478,282.22				
2032	67,635,965.62				
2033	68,039,994.82				
2034	67,057,464.90				
2035	52,902,028.00				
2036	54,167,114.30				
2037	55,421,077.50				
2038	56,611,399.26				
2039	48,651,051.26				
2040	49,409,072.00				
2041	19,073,850.00				
2042	15,484,800.00				
2043	15,818,200.00				
2044	15,703,000.00				
2045	15,990,800.00				
2046	16,244,800.00				
Total	\$1,325,872,828.30				

⁽¹⁾ Debt service on the District’s Taxable General Obligation Bonds (Election of 2006, Series 2009C) Qualified School Construction Bonds (Tax Credit Bonds) and the District’s Taxable General Obligation Bonds (Election of 2006, Series 2012B) (Qualified School Construction Bonds) reflects debt service net of subsidy based on current sequestration rates and scheduled sinking fund deposits by the District (rather than payments to bondholders).

⁽²⁾ Includes debt service on the Target Bonds to be tendered and Refunded Bonds to be refunded.

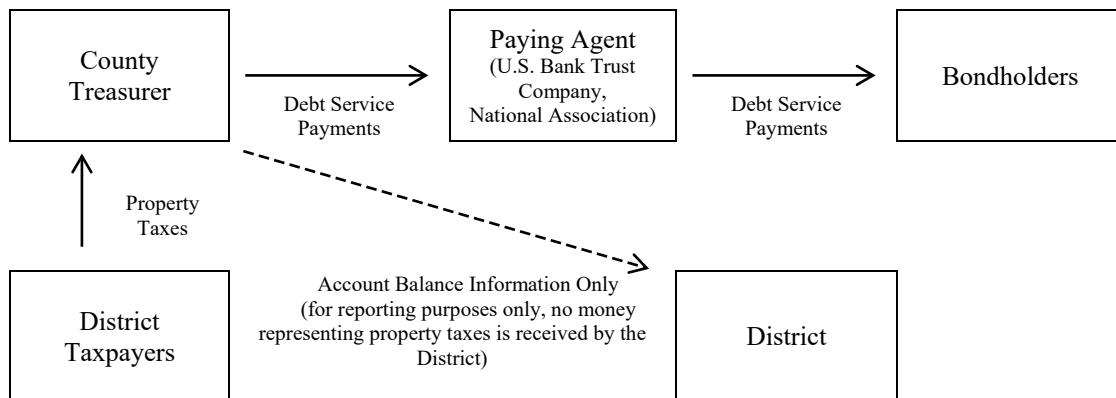
SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

General

In order to provide sufficient funds for repayment of principal and interest when due on a school district's bonds, the board of supervisors of the county, the superintendent of schools of which has jurisdiction over such school district, is empowered and is obligated to levy *ad valorem* taxes upon all property subject to taxation by such school district, without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates). Such taxes are in addition to other taxes levied upon property within the school district. The assessor of the county in which the school district lies must annually certify to the board of supervisors the assessed value of all taxable property in the county situated in the school district. The board of supervisors must levy upon the property of the school district within its own county the rate of tax that will be sufficient to raise not less than the amount needed to pay the interest and any portion of the principal of the bonds that is to become due during the year.

Accordingly, the Board of Supervisors of the County must levy upon the property of the District the rate of tax that will be sufficient to provide sufficient funds for repayment of principal and interest when due on the Bonds. When collected, the tax revenues will be deposited in the District's Interest and Sinking Fund, which is required to be maintained by the County and to be used solely for the payment of bonds of the District. Moneys in the Interest and Sinking Fund will be invested on behalf of the District in any one or more investments generally permitted for school districts authorized pursuant to Section 53601 *et seq.* or Section 53635 *et seq.* of the California Government Code by the County Treasurer, and consistent with the investment policy of the County. See APPENDIX F – "COUNTY OF ALAMEDA ANNUAL INVESTMENT POLICY AND INVESTMENT REPORT."

The following diagram illustrates the flow of property taxes from District taxpayers to the Interest and Sinking Fund, and from there to bondholders.



Statutory Lien on Taxes (Senate Bill 222)

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

Pledge of and Lien on Tax Revenues

Pursuant to the District Resolutions, the District pledges, and grants a lien or and security interest in, all revenues from the property taxes collected from the levy by the Board of Supervisors of the County with respect to

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

“District Bonds” means all bonds, including refunding bonds, of the District heretofore or hereafter issued pursuant to voter-approved measures of the District, including bonds approved by the voters of the District pursuant to Measure C (approved by the voters at an election duly called and regularly held in the District on November 8, 1994, authorizing the issuance of \$169,730,000 in bonds), Measure A (approved by the voters at an election duly called and regularly held in the District on March 7, 2000, authorizing the issuance of \$303,000,000 in bonds), Measure B (approved by the voters at an election duly called and regularly held in the District on June 6, 2006, authorizing the issuance of \$435,000,000 in bonds), Measure J (approved by the voters at an election duly called and regularly held in the District on November 6, 2012, authorizing the issuance of \$475,000,000 in bonds), and Measure Y, approved by the voters pursuant to the 2020 Authorization.

Property Taxation System

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

Local property taxation is the responsibility of various county officers. For each school district located in a county, the county assessor computes the value of locally assessed taxable property. Based on the assessed value of property and the scheduled debt service on outstanding bonds in each year, the county auditor-controller computes the rate of tax necessary to pay such debt service, and presents the tax rolls (including rates of tax for all taxing jurisdictions in the county) to the county board of supervisors for approval. The county treasurer and tax collector prepares and mails tax bills to taxpayers and collects the taxes. In addition, the county treasurer and tax collector, as *ex officio* treasurer of each school district located in the county, holds school district funds, including taxes collected for payment of school bonds, and is charged with payment of principal and interest on the bonds when due.

As mandated by law, the County Treasurer has sole responsibility for the levy and collection of the tax imposed to pay the principal of and interest on the District’s bonds. Pursuant to State law, the proceeds of the tax levy are never in the custody of the District or available for any other purpose, and are at all times segregated from the operating revenues of the District. The District has no role in the process of taxation and payment of the District’s bonds. Although the District may have legal authority to supplement the payments on its bonds by transferring operating revenues to the Interest and Sinking Fund administered by the County Treasurer, there is no statutory obligation that the District uses its operating revenues to support its bonds in this way. It should not be inferred that the principal of or interest on the Bonds is payable from the District’s General Fund or from State revenues.

Assessed Valuation of Property Within the District

All property (real, personal and intangible) is taxable unless an exemption is granted by the State Constitution or United States law. Under the State Constitution, exempt classes of property include household and personal effects, intangible personal property (such as bank accounts, stocks and bonds), business inventories, and property used for religious, hospital, scientific and charitable purposes. The State Legislature may create additional exemptions for personal property, but not for real property. Most taxable property is assessed by the assessor of the

county in which the property is located. Some special classes of property are assessed by the State Board of Equalization (the “**Board of Equalization**”).

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

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

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

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The following table shows the assessed valuation of the various classes of property in the District for recent fiscal years.

**Oakland Unified School District
(County of Alameda, California)
Assessed Valuations of Secured and Unsecured Property
Fiscal Years 2009-10 through 2023-24**

Fiscal Year	Local Secured	Utility	Unsecured	Total	% Change
2009-10	\$36,970,846,568	\$20,111,731	\$2,411,540,443	\$39,402,498,742	-
2010-11	35,395,239,449	17,942,547	2,713,192,555	38,126,374,551	(3.24)%
2011-12	35,751,945,435	19,640,604	2,727,442,229	38,499,028,268	0.98
2012-13	36,271,770,017	16,985,541	2,892,634,324	39,181,389,882	1.77
2013-14	37,502,395,457	16,319,551	2,833,029,883	40,351,744,891	2.99
2014-15	40,091,358,068	15,070,688	2,809,510,293	42,915,939,049	6.35
2015-16	44,159,989,483	20,517,048	2,822,888,936	47,003,395,467	9.52
2016-17	47,249,996,605	24,317,524	3,004,666,994	50,278,981,123	6.97
2017-18	51,172,486,419	19,326,302	2,671,638,336	53,863,451,057	7.13
2018-19	54,758,322,398	16,660,059	2,781,400,956	57,556,383,413	6.86
2019-20	59,247,570,880	16,678,982	2,919,350,643	62,183,600,505	8.04
2020-21	65,438,862,473	16,367,268	3,210,617,613	68,665,847,354	10.42
2021-22	69,492,884,815	48,671,025	3,476,201,031	73,017,756,871	6.34
2022-23	75,529,094,708	26,783,669	3,616,722,367	79,172,600,744	8.43
2023-24	80,522,032,406	20,193,415	3,818,187,382	84,360,413,203	6.55

Source: California Municipal Statistics, Inc.

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

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

The second type of appeal, commonly referred to as a Proposition 8 appeal (which Proposition 8 was approved by the voters in November 1978), can result if factors occur causing a decline in the market value of the property to a level below the property’s then-current taxable value (escalated base year value). Pursuant to State law, a property owner may apply for a Proposition 8 reduction of the property tax assessment for such owner’s property by filing a written application, in the form prescribed by the State Board of Equalization, with the appropriate county board of equalization or assessment appeals board. A property owner desiring a Proposition 8 reduction of the assessed value of such owner’s property in any one year must submit an application to the county assessment appeals board (the “**Appeals Board**”). Following a review of the application by the county assessor’s office, the county assessor may offer to the property owner the opportunity to stipulate to a reduced assessment, or may confirm the assessment. If no stipulation is agreed to, and the applicant elects to pursue the appeal, the matter is brought before the Appeals Board (or, in some cases, a hearing examiner) for a hearing and decision. The Appeals Board generally is required to determine the outcome of appeals within two years of each appeal’s filing date. Any reduction in the

assessment ultimately granted applies only to the year for which application is made and during which the written application is filed. The assessed value increases to its pre-reduction level (escalated to the inflation rate of no more than 2%) following the year for which the reduction application is filed. However, the county assessor has the power to grant a reduction not only for the year for which application was originally made, but also for the then-current year and any intervening years as well. In practice, such a reduced assessment may and often does remain in effect beyond the year in which it is granted.

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

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

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

Risk of Decline in Property Values; Earthquake Risk. Property values could be reduced by factors beyond the District’s control, including an earthquake, or a depressed real estate market due to general economic conditions in the County, the region, and the State.

The District is located in a seismically active region. Active earthquake faults underlie both the District and the surrounding Bay Area. Three major earthquake faults that comprise the San Andreas fault system extend through the Bay Area, including the San Andreas fault, the Hayward fault, and the Calaveras fault. On August 24, 2014, an earthquake occurred in Napa, California. The tremor’s epicenter was located approximately 3.7 miles northwest of American Canyon near the West Napa Fault and registered 6.0 on the Richter scale of earthquake intensity. The Napa earthquake caused fires, damaged buildings and roads, and injured approximately 200 people. The Napa earthquake was the largest earthquake in the Bay Area since the 1989 Loma Prieta earthquake on the San Andreas Fault, which was centered about 60 miles south of Oakland and registered 6.9 on the Richter scale of earthquake intensity. The Loma Prieta earthquake caused fires and collapses of, and structural damage to, buildings, highways and bridges in the Bay Area.

In August 2016, the 2014 Working Group on California Earthquake Probabilities (a collaborative effort of the United States Geological Survey, the California Geological Society and the Southern California Earthquake Center) issued a revised report that states there is a 72% chance that one or more earthquakes of magnitude 6.7 or larger will occur in the Bay Area before the year 2043. Such earthquakes may be very destructive. Property within the District could sustain extensive damage in a major earthquake, and a major earthquake could adversely affect the area’s economic activity.

Other possible causes for a reduction in assessed values include the complete or partial destruction of taxable property caused by other natural or manmade disasters, such as flood, fire, drought, toxic dumping, acts of terrorism, etc., or reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable, or religious purposes). Lower assessed values could necessitate a corresponding increase in the annual tax rate to be levied to pay the principal of and interest on the Bonds. Issuance of additional bonds in the future might also cause the tax rate to increase.

Drought. In recent years the State has experienced severe drought conditions. In January 2014, the Governor declared a Statewide Drought State of Emergency due to the State facing serious water shortfalls due to the driest year in recorded history in the State and the resultant record low levels measured in State rivers and reservoirs. The California

State Water Resources Control Board (the “State Water Board”) subsequently issued a Statewide notice of water shortages and potential future curtailment of water right diversions. In April 2017, the Governor of the State lifted the drought emergency declaration, while retaining a prohibition on wasteful practices and advancing conservation measures.

On March 5, 2021, the Secretary of the United States Department of Agriculture designated 50 of 58 counties in California, as primary natural disaster areas due to drought. On April 21, 2021, the Governor issued a drought emergency proclamation (the “**April Drought Proclamation**”) which applied to two counties within the State. On May 10, 2021, the Governor declared a State of Emergency due to the State facing serious water shortfalls, and ordered State and local agency implementation of certain provisions to adequately respond to drought conditions, significantly expanding the April Drought Proclamation to 41 counties within the State. On July 8, 2021, the Governor expanded the declaration further to include an additional nine counties in the State. On October 19, 2021, the Governor extended the declaration to include the remaining counties such that the drought state of emergency was then in effect Statewide. However, increased rainfall in late 2022 and early 2023 led to the rescission of certain of these restrictions, including in the County, as described in the following section “– *2022-23 Winter Storms.*”

It is not possible for the District to make any representation regarding the extent to which drought conditions could cause reduced economic activity within the boundaries of the District or the extent to which drought conditions may impact District facilities or the assessed value of taxable property within the District.

2022-23 Winter Storms. California experienced an unexpected increase in the amount of winter storms and increased rainfall and snowpack, leading to an unseasonably wet winter in late 2022 and early 2023, which impacted communities across the State (the “**2022-23 Winter Storms**”). The increased rainfall caused by the 2022-23 Winter Storms has eased drought conditions across the State considerably. Accordingly, in March 2023, the Governor rescinded some of the State’s drought restrictions. In addition, in January 2023, the Governor announced an extension of its tax filing deadline for residents and businesses in counties which were impacted by the 2022-23 Winter Storms and the resulting mudslides and flooding (the “**2023 Winter Storm Tax Extension**”). Most counties in the State were included in the 2023 Winter Storm Tax Extension, such that certain individual and business tax payments which would have typically been due at various times between January and September 2023 are now due on October 16, 2023. The potential results of this extension on the 2023-24 State budget are discussed in APPENDIX B – “INFORMATION RELATING TO THE DISTRICT’S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS – State Funding of Education; State Budget Process – *2023-24 State Budget.*”

It is not possible for the District to make any representation regarding the extent to which the 2022-23 Winter Storms or any future winter storms, or related increased rainfall, mudslides or flooding conditions, could cause reduced economic activity within the boundaries of the District or the extent to which such conditions may impact District facilities or the assessed value of taxable property within the District.

Risk of Wildfire. In recent years, portions of the State, including the County and adjacent counties, have experienced wildfires that have burned millions of acres and destroyed thousands of homes and structures. Property damage due to wildfire could result in a significant decrease in the assessed value of property in the District. It is not possible for the District to make any representation regarding the extent to which wildfires could cause reduced economic activity within the boundaries of the District or the extent to which wildfires may impact the value of taxable property within the District.

In October 1991, a firestorm on the hillsides of northern Oakland and southeastern Berkeley burned 1,520 acres and destroyed over two thousand single-family homes and hundreds of apartment and condominium units. The economic loss from the fire was estimated at \$1.5 billion.

Risk of Sea Level Changes and Flooding. In May 2009, the California Climate Change Center released a final paper, for informational purposes only, which was funded by the California Energy Commission, the California Environmental Protection Agency, the Metropolitan Transportation Commission, the California Department of Transportation and the California Ocean Protection Council and titled “The Impacts of Sea-Level Rise on the California Coast.” The paper posits that increases in sea level will be a significant consequence of climate change over the next century. The paper evaluated the population, infrastructure, and property at risk from projected sea-level rise if no actions are taken to protect the coast. The paper concluded that significant property in the State is at risk of flooding as a result of a 1.4 meter sea level rise. The paper further estimates that the replacement value of this

property totals nearly \$100 billion (in year 2000 dollars). The District may be particularly vulnerable to impacts associated with sea level rise due to development on its coastline. A wide range of critical infrastructure, such as roads, airports, hospitals, schools, emergency facilities, wastewater treatment plants, power plants, and wetlands is also vulnerable. Continued development in vulnerable areas will put additional assets at risk and raise protection costs.

The District is unable to predict whether sea level rise or other impacts of climate change or flooding from a major storm will occur, when they may occur, and if any such events occur, whether they will have a material adverse effect on the financial condition of the District and the local economy.

Bonding Capacity. As a unified school district, the District may issue bonds in an amount up to 2.5% of the assessed valuation of taxable property within its boundaries. The District’s gross bonding capacity (also commonly referred to as the “bonding limit” or “debt limit”) is approximately \$2.1 billion and its net bonding capacity is approximately \$1.1 billion, prior to the issuance of the Bonds. Refunding bonds may be issued without regard to this limitation; however, once issued, the outstanding principal of any refunding bonds is included when calculating the District’s bonding capacity.

Assessed Valuation by Jurisdiction. The following table describes the percentage and value of the total assessed valuation of property within the District’s boundaries for fiscal year 2023-24.

**Oakland Unified School District
(County of Alameda, California)
2023-24 Assessed Valuation by Jurisdiction**

<u>Jurisdiction:</u>	<u>Assessed Valuation in District</u>	<u>% of District</u>	<u>Assessed Valuation of Jurisdiction</u>	<u>% of Jurisdiction in District</u>
City of Emeryville	\$977,446	0.001%	\$7,688,344,520	0.013%
City of Oakland	<u>84,359,435,757</u>	<u>99.999</u>	85,412,303,101	98.767
Total District	\$84,360,413,203	100.000%		
Alameda County	\$84,360,413,203	100.000%	\$400,962,791,883	21.039%

Source: California Municipal Statistics, Inc.

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Assessed Valuation by Land Use. The following table shows a distribution of taxable property located in the District on the fiscal year 2023-24 tax roll by principal purpose for which the land is used, and the assessed valuation and number of parcels for each use.

**Oakland Unified School District
(County of Alameda, California)
2023-24 Local Secured Assessed Valuation and Parcels by Land Use**

	2023-24 <u>Assessed Valuation</u> ⁽¹⁾	% of <u>Total</u>	No. of <u>Parcels</u>	% of <u>Total</u>	No. of Taxable <u>Parcels</u>	% of <u>Total</u>
Non-Residential:						
Commercial/Office	\$15,869,305,008	19.71%	6,029	5.35%	5,576	5.07%
Vacant Commercial	216,029,013	0.27	371	0.33	357	0.32
Industrial	5,830,245,155	7.24	2,229	1.98	2,178	1.98
Vacant Industrial	318,302,773	0.40	402	0.36	402	0.37
Recreational	111,883,647	0.14	269	0.24	269	0.24
Government/Social/Institutional	<u>370,291,505</u>	<u>0.46</u>	<u>3,287</u>	<u>2.92</u>	<u>1,499</u>	<u>1.36</u>
Subtotal Non-Residential	\$22,716,057,101	28.21%	12,587	11.17%	10,281	9.35%
Residential:						
Single Family Residence	\$39,024,915,545	48.46%	68,002	60.35%	67,893	61.77%
Condominium/Townhouse	6,474,743,244	8.04	11,725	10.40	11,717	10.66
Mobile Home	32,096,534	0.04	173	0.15	173	0.16
2-4 Residential Units	3,560,298,644	4.42	12,985	11.52	12,982	11.81
5+ Residential Units/Apartments	8,163,932,266	10.14	3,342	2.97	3,318	3.02
Residential-Miscellaneous Uses	88,983,175	0.11	90	0.08	90	0.08
Vacant Residential	<u>461,005,897</u>	<u>0.57</u>	<u>3,784</u>	<u>3.36</u>	<u>3,451</u>	<u>3.14</u>
Subtotal Residential	\$57,805,975,305	71.79%	100,101	88.83%	99,624	90.65%
Total	\$80,522,032,406	100.00%	112,688	100.00%	109,905	100.00%

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

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Assessed Valuation of Single-Family Homes. The following table shows the assessed valuation of single-family homes in the District for fiscal year 2023-24, including the median and mean assessed valuation per parcel.

**Oakland Unified School District
(County of Alameda, California)
Per Parcel 2023-24 Assessed Valuation of Single-Family Homes**

	No. of Parcels	2023-24 Assessed Valuation		Average Assessed Valuation	Median Assessed Valuation	
Single-Family Residential	67,893	\$39,024,915,545		\$574,800	\$432,331	
	No. of Parcels ⁽¹⁾	% of Total	Cumulative % of Total	Total Valuation	% of Total	Cumulative % of Total
2023-24 Assessed Valuation						
\$0 - \$49,999	2,418	3.561%	3.561%	\$ 95,062,443	0.244%	0.244%
\$50,000 - \$99,999	5,521	8.132	11.693	410,768,694	1.053	1.296
\$100,000 - \$149,999	5,365	7.902	19.596	672,858,446	1.724	3.020
\$150,000 - \$199,999	4,886	7.197	26.792	852,002,870	2.183	5.204
\$200,000 - \$249,999	4,000	5.892	32.684	897,978,491	2.301	7.505
\$250,000 - \$299,999	3,516	5.179	37.863	963,258,547	2.468	9.973
\$300,000 - \$349,999	3,221	4.744	42.607	1,046,549,793	2.682	12.655
\$350,000 - \$399,999	3,119	4.594	47.201	1,169,118,355	2.996	15.651
\$400,000 - \$449,999	2,947	4.341	51.541	1,251,680,921	3.207	18.858
\$450,000 - \$499,999	2,948	4.342	55.884	1,399,007,600	3.585	22.443
\$500,000 - \$549,999	2,754	4.056	59.940	1,443,687,491	3.699	26.142
\$550,000 - \$599,999	2,409	3.548	63.488	1,381,720,241	3.541	29.683
\$600,000 - \$649,999	2,172	3.199	66.687	1,356,177,654	3.475	33.158
\$650,000 - \$699,999	1,930	2.843	69.530	1,300,886,667	3.333	36.491
\$700,000 - \$749,999	1,824	2.687	72.217	1,320,952,950	3.385	39.876
\$750,000 - \$799,999	1,728	2.545	74.762	1,337,999,755	3.429	43.305
\$800,000 - \$849,999	1,652	2.433	77.195	1,363,334,421	3.493	46.798
\$850,000 - \$899,999	1,526	2.248	79.443	1,333,974,212	3.418	50.217
\$900,000 - \$949,999	1,517	2.234	81.677	1,402,739,420	3.594	53.811
\$950,000 - \$999,999	1,203	1.772	83.449	1,172,765,979	3.005	56.816
\$1,000,000 and greater	11,237	16.551	100.000	16,852,390,595	43.184	100.000
Total	67,893	100.000%		\$39,024,915,545	100.000%	

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

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Largest Taxpayers in District. The twenty taxpayers with the greatest combined ownership of taxable property in the District on the fiscal year 2023-24 tax roll, and the assessed valuation of all property owned by those taxpayers in all taxing jurisdictions within the District, are shown below.

**Oakland Unified School District
(County of Alameda, California)
Largest 2023-24 Local Secured Taxpayers**

	<u>Property Owner</u>	<u>Primary Land Use</u>	2023-24 <u>Assessed Valuation</u>	% of <u>Total⁽¹⁾</u>
1.	BA2 300 Lakeside LLC	Office Building	\$ 467,811,767	0.58%
2.	Uptown Broadway LLC	Office Building	438,146,100	0.54
3.	CP VI Franklin LLC	Apartments	435,090,813	0.54
4.	SOFXI WFO Center 21 Owner LLC	Office Building	378,508,784	0.47
5.	SFIII FOS 1111 Broadway Holding LLC	Office Building	334,331,885	0.42
6.	Nash Holland 24th & Harrison Investors	Apartments	292,522,129	0.36
7.	KRE 1221 Broadway Owner LLC	Office Building	269,939,421	0.34
8.	601 City Center LLC	Office Building	264,813,252	0.33
9.	CSHV 1999 Harrison LLC	Office Building	250,837,633	0.31
10.	3093 Broadway Holdings LLC	Apartments	248,294,219	0.31
11.	USPA City Center LLC	Office Building	236,664,480	0.29
12.	Kaiser Foundation Health Plan Inc.	Office Building	233,510,887	0.29
13.	LMV 1640 Broadway Holdings LP	Apartments	206,405,857	0.26
14.	CP V JLS LLC	Apartments	201,899,460	0.25
15.	MPI Macarthur Tower LLC	Apartments	194,376,689	0.24
16.	Jack London Square Development Oakland	Apartments	192,223,088	0.24
17.	KRE 1330 Broadway Owner LLC	Office Building	188,705,438	0.23
18.	BSREP II Station on 12th LLC	Apartments	186,198,078	0.23
19.	BIT Macarthur Commons Investors LLC	Apartments	184,048,502	0.23
20.	Oakland Grand Owner LLC	Office Building	<u>183,954,750</u>	<u>0.23</u>
			<u>\$5,388,283,232</u>	<u>6.69%</u>

⁽¹⁾ 2023-24 local secured assessed valuation, excluding tax-exempt property: \$80,522,032,406.

Source: California Municipal Statistics, Inc.

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

Tax Rates

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

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

Typical Tax Rate Area. The following table shows *ad valorem* property tax rates for the last five fiscal years in a typical Tax Rate Area of the District (TRA 17-001). TRA 17-001 comprises approximately [_.] % of the total fiscal year 2023-24 assessed value of the District.

**Oakland Unified School District
(County of Alameda, California)
Typical Tax Rates per \$100 of Assessed Valuation
(TRA 17-001)**

	2019-20	2020-21	2021-22	2022-23	2023-24 ⁽¹⁾
General	\$1.0000	\$1.0000	\$1.0000	\$1.0000	
Alameda County Bonds	0.0108	0.0036	0.0041	0.0103	
Oakland Unified School District Bonds	0.1168	0.1084	0.1202	0.1026	
Peralta Community College District Bonds	0.0257	0.0452	0.0407	0.0409	
Bay Area Rapid Transit District Bonds	0.0120	0.0139	0.0060	0.0140	
East Bay Municipal Utility District Bonds	-	-	-	-	
East Bay Regional Park District Bonds	0.0060	0.0014	0.0020	0.0058	
City of Oakland	0.1975	0.2012	0.2011	0.2035	
Total	\$1.3688	\$1.3737	\$1.3741	\$1.3771	

⁽¹⁾ 2023-24 assessed valuation of TRA 17-001 is \$[TRA AV].
Source: California Municipal Statistics, Inc.

Tax Charges and Delinquencies

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

The county treasurer and tax collector prepares the property tax bills. Property taxes on the regular secured assessment roll are due in two equal installments: the first installment is due on November 1, and becomes delinquent after December 10. The second installment is due on February 1 and becomes delinquent after April 10. If taxes are not paid by the delinquent date, a 10% penalty attaches and a \$23 cost is added to unpaid second installments. If taxes remain unpaid by June 30, the tax is deemed to be in default, and a \$15 state redemption fee applies. Interest then begins to accrue at the rate of 1.5% per month. The property owner has the right to redeem the property by paying the taxes, accrued penalties, and costs within five years of the date the property went into default. If the property is not redeemed within five years, it is subject to sale at a public auction by the county treasurer.

Annual bills for property taxes on the unsecured roll are generally issued in July, are due in a single payment within 30 days, and become delinquent after August 31. A 10% penalty attaches to delinquent taxes on property on the unsecured roll, and an additional penalty of 1.5% per month begins to accrue on November 1. To collect unpaid taxes, the county treasurer may obtain a judgment lien upon and cause the sale of all property owned by the taxpayer in the county, and may seize and sell personal property, improvements and possessory interests of the taxpayer. The county treasurer may also bring a civil suit against the taxpayer for payment.

The date on which taxes on supplemental assessments are due depends on when the supplemental tax bill is mailed. The following table shows a recent history of secured property tax collections and delinquencies in the District for its general obligation bond debt service levy.

Property tax delinquencies may be impacted by economic and other factors beyond the District’s control, including the ability or willingness of property owners to pay property taxes during an economic recession or depression. An economic recession or depression could be caused by many factors outside the control of the District, including high interest rates, reduced consumer confidence, reduced real wages or reduced economic activity as a result a pandemic or natural or manmade disaster, such as earthquake, drought, flood, fire, toxic dumping. It is not

possible for the District to make any representation regarding the extent to which an economic recession or depression could impact the ability or willingness of property owners within the District to pay property taxes in the future. If delinquencies increase substantially as a result of the unprecedented events of the COVID-19 pandemic or other events outside the control of the District, the County does have the authority to increase allowances for annual reserves in the tax levy to avoid fluctuating tax levies. Annual reserves can be used towards debt service where tax collections are insufficient to pay such debt service.

The County does not anticipate an impact to the cash flow for any of the school districts within the County, including cash flow for any bond payments. The District cannot predict the extent of delinquencies and delayed tax collections, or the resulting impact on the District’s financial condition or operations. The County has adopted the Teeter Plan (defined herein), but does not apply the Teeter Plan to school district general obligation bond tax levies, according to which the County distributes to the District the amount actually collected rather than the amount levied on the secured and supplemental tax rolls. See “– *Teeter Plan – Not Applicable*” below. There can be no assurances that the County will always have sufficient funds available to distribute the full amount of the District’s share of property tax collections to the District. However, State law requires the County to levy *ad valorem* property taxes sufficient to pay the Bonds when due.

The following table shows a recent history of secured property tax collections and delinquencies in the District for its general obligation bond debt service and parcel tax levy.

**Oakland Unified School District
(County of Alameda, California)
Tax Collections and Delinquencies for Fiscal Years 2013-14 through 2022-23**

Fiscal Year	Secured Tax Charge ⁽¹⁾	Amount Delinquent (June 30)	% Delinquent on General Obligation Bond Levy
2013-14	\$86,661,775.17	\$1,756,630.10	2.03%
2014-15	89,995,251.27	1,701,850.25	1.89
2015-16	87,406,965.12	1,750,932.72	2.00
2016-17	86,013,423.84	1,836,778.97	1.81
2017-18	95,236,060.05	1,820,737.05	1.49
2018-19	108,053,225.18	2,058,557.04	1.50
2019-20	113,170,487.30	2,452,371.56	1.77
2020-21	114,843,719.10	2,258,138.63	1.56
2021-22	128,152,182.93	2,514,829.30	1.74
2022-23			

⁽¹⁾ District’s general obligation bond and parcel tax levies.

Source: California Municipal Statistics, Inc.

Teeter Plan – Not Applicable. While the Board of Supervisors of the County has approved implementation of the Teeter Plan, the County does not apply the Teeter Plan to school district general obligation bond tax levies. Consequently, for taxes levied in the County to pay debt service on the Bonds, the District will receive actual collections (including penalties and interest) for that purpose, rather than the amount levied. However, the Teeter Plan does apply to the District’s share of the 1% Countywide property tax levy.

For counties that have approved its implementation, the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the “**Teeter Plan**”) authorized by Sections 4701-4717 of the State Revenue & Taxation Code guarantees distribution of all *ad valorem* taxes levied to the taxing entities within a county, with the county retaining all penalties and interest affixed upon delinquent properties and redemptions of subsequent collections. The purpose of utilizing the Teeter Plan is to simplify the tax-levying and tax-apportioning process and to provide increased flexibility to counties in the use of available cash resources.

The county cash position is protected by a special fund, known as the “Tax Loss Reserve Fund,” which accumulates moneys from interest and penalty collections. In each fiscal year, the Tax Loss Reserve Fund is required to be funded to the amount of delinquent taxes plus 1% of that year’s tax levy. Amounts exceeding the amount

required to be maintained in the tax loss reserve fund may be credited to the county's general fund. Amounts required to be maintained in the tax loss reserve fund may be drawn on to the extent of the amount of uncollected taxes credited to each agency in advance of receipt.

The Teeter Plan is to remain in effect unless the county board of supervisors orders its discontinuance or unless, prior to the commencement of any fiscal year of the county (which commences on July 1), the board of supervisors receives a petition for its discontinuance from two-thirds of the participating revenue districts in the county. The board of supervisors may also, after holding a public hearing on the matter, discontinue the procedures with respect to any tax levying agency or assessment levying agency in the county if the rate of secured tax delinquency in that agency in any year exceeds 3% of the total of all taxes and assessments levied on the secured rolls in that agency.

Direct and Overlapping Debt

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

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

**Oakland Unified School District
(County of Alameda, California)
Direct and Overlapping Bonded Debt**

2023-24 Assessed Valuation: \$84,360,413,203

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 10/1/23</u>
Alameda County	21.039%	\$ 104,625,895
Bay Area Rapid Transit District	8.354	204,303,336
East Bay Regional Park District	13.130	19,098,898
Chabot-Las Positas Community College District	0.001	7,042
Peralta Community College District	56.711	246,244,833
Oakland Unified School District	100.000	992,225,000⁽¹⁾
City of Emeryville	0.013	6,500
City of Oakland	98.767	590,132,825
City of Oakland 1915 Act Bonds	100.000	1,460,000
City of Piedmont 1915 Act Bonds	4.792	119,901
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		\$2,158,224,230

<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>		
Alameda County General Fund Obligations	21.039%	\$148,725,427
Alameda-Contra Costa Transit District Certificates of Participation	24.766	2,580,617
Peralta Community College District Pension Obligation Bonds	56.711	65,302,741
City of Emeryville General Fund Obligations	0.013	219
City of Oakland General Fund Obligations	98.767	48,261,013
City of Oakland Pension Obligation Bonds	98.767	149,513,485
Eden Township Healthcare District Certificates of Participation	0.004	529
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT		

OVERLAPPING TAX INCREMENT DEBT (Successor Agency): \$197,587,132

COMBINED TOTAL DEBT \$2,770,195,393⁽²⁾

Ratios to 2023-24 Assessed Valuation:

Direct Debt (\$992,255,000) 1.18%
 Total Direct and Overlapping Tax and Assessment Debt..... 2.56%
 Combined Total Debt 3.28%

Ratios to Redevelopment Incremental Valuation (\$29,729,955,266):

Total Overlapping Tax Increment Debt..... 0.66%

⁽¹⁾ Excludes the Bonds to be sold, but includes the Target Bonds to be tendered and the Refunded Bonds to be refunded.

⁽²⁾ Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Source: California Municipal Statistics, Inc.

BOND INSURANCE*

[Bond Insurance Policy]

Concurrently with the issuance of the Bonds, [] will issue its Policy for the Insured Bonds. The Policy guarantees the scheduled payment of principal of and interest on the Insured Bonds when due as set forth in the form of the Policy included as Appendix H to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.]

[Insurer]

[To come]

[Risk Factors Related to Bond Insurance]

The District has applied for a bond insurance policy to guarantee the scheduled payment of principal and interest on the Insured Bonds. The following are risk factors relating to bond insurance.

In the event of default of the payment of principal or interest with respect to the Insured Bonds when all or some becomes due, any owner of the Insured Bonds shall have a claim under the Policy for such payments. The Policy does not insure against redemption premium, if any. The payment of principal and interest in connection with mandatory or optional prepayment of the Insured Bonds by the District which is recovered by the District from the bond owner as a voidable preference under applicable bankruptcy law is covered by the insurance policy, however, such payments will be made by the Bond Insurer at such time and in such amounts as would have been due absent such prepayment by the District unless the Bond Insurer chooses to pay such amounts at an earlier date.

Under most circumstances, default of payment of principal and interest does not obligate acceleration of the obligations of the Bond Insurer without appropriate consent. The Bond Insurer may direct and must consent to any remedies and the Bond Insurer's consent may be required in connection with amendments to any applicable bond documents.

In the event the Bond Insurer is unable to make payment of principal and interest as such payments become due under the Policy, the Insured Bonds are payable solely from the moneys received pursuant to the applicable bond documents. In the event the Bond Insurer becomes obligated to make payments with respect to the Insured Bonds, no assurance is given that such event will not adversely affect the market price of the Insured Bonds or the marketability (liquidity) for the Insured Bonds.

The long-term ratings on the Insured Bonds are dependent in part on the financial strength of the Bond Insurer and its claims paying ability. The Bond Insurer's financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Bond Insurer and of the ratings on the Insured Bonds insured by the Bond Insurer will not be subject to downgrade and such event could adversely affect the market price of the Insured Bonds or the marketability (liquidity) for the Insured Bonds. See "MISCELLANEOUS – Ratings."

The obligations of the Bond Insurer are general obligations of the Bond Insurer and in an event of default by the Bond Insurer, the remedies available may be limited by applicable bankruptcy law or other similar laws related to insolvency.

Neither the District nor the Underwriters have made independent investigation into the claims paying ability of the Bond Insurer and no assurance or representation regarding the financial strength or projected financial strength

* Preliminary, subject to change.

of the Bond Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the District to pay principal and interest on the Insured Bonds and the claims paying ability of the Bond Insurer, particularly over the life of the investment.]

RISK FACTORS

The factors discussed below (among others) should be considered in evaluating the probability of payment of the Bonds. The considerations discussed below are not meant to be an exhaustive list of considerations associated with the purchase of the Bonds, and the discussion below does not necessarily reflect the relative importance of the various considerations. Potential investors should consider the following factors, among others, and review the other information in this Official Statement. Any one or more of the considerations discussed, and others, could lead to a decrease in the market value and or the liquidity of the Bonds. There can be no assurance that other factors and considerations will not become material in the future.

Risks Related to COVID-19

The outbreak of the novel strain of coronavirus called COVID-19, which was previously designated a global pandemic by the World Health Organization, is impacting local and global economies, as governments, businesses, and citizens react to, plan for, and try to prevent or slow further transmission of the virus. Financial markets, including both the bond and stock markets in the United States and globally, have experienced significant recent volatility that has been attributed to coronavirus concerns. The United States Centers for Disease Control and Prevention and the California Department of Public Health have been providing regular updates and guidelines to the public and to State and local governments. On March 4, 2020, as part of the State's response to address the outbreak, the Governor declared a state of emergency. On March 13, 2020, then President Donald Trump declared a national emergency, freeing up funding for federal assistance to state and local governments. Many school districts across the State temporarily closed some or all school campuses in response to local and state directives or guidance.

On March 27, 2020, the U.S. House of Representatives approved and then President Trump signed into law the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act"). The CARES Act appropriated \$30 billion to education, of which \$3 billion was allocated to state governors to be used at their discretion to address the emergency, \$13.5 billion was allocated for K-12 education, and \$14.25 billion was allocated for postsecondary institutions.

On December 27, 2020, the United States Congress approved and then President Trump signed into law the Consolidated Appropriations Act, 2021 ("HR 133"), which included a \$900 billion COVID-19 relief package. HR 133 provided \$81.9 billion to education, specifically \$4.1 billion allocated to state governors to be used at their discretion to address the emergency, of which \$2.75 billion was reserved for private K-12 education, \$54.3 billion for K-12 education, \$22.7 billion for postsecondary institutions, and \$819 million for outlying areas and Bureau of Indian Affairs schools.

On March 12, 2021, the United States Congress approved and President Biden signed into law the American Rescue Plan Act of 2021 ("HR 1319"), a \$1.9 trillion COVID-19 relief package. HR 1319 provided direct payments to individuals, extended unemployment benefits, provided funding to distribute COVID-19 vaccines and provided funding for schools, higher education institutions, state, tribal governments and businesses.

On March 5, 2021, the Governor signed into law Assembly Bill 86 ("AB 86"), providing \$6.6 billion in State funding relating to COVID-19 relief, including \$2 billion in incentives to expedite reopening schools and \$4.6 billion to address the COVID-19 pandemic's impact on learning. The majority of such funding was to be apportioned through the Local Control Funding Formula (as defined herein). AB 86 provided, in part, in-person instruction grants to incentivize schools to offer in-person instruction. The \$2 billion in incentives were to be utilized by school districts to reopen schools for in-person instruction for its most high-needs students.

The District received approximately \$283.1 million in federal and State funding, including allocations from CARES Act funding from Elementary and Secondary School relief (ESSER) I, HR 133, ESSER II, HR 1319, ESSER III, and AB 86. The aforementioned federal and State funding is considered one-time, restricted, emergency relief

funding to address the impact COVID-19 has had on elementary and secondary schools. To date, the District has expended approximately \$279.7 million, and expects to expend the remaining \$3.4 million by September 30, 2024.

School Re-opening for In-Person Instruction. The District closed for in-person instruction in March 2020. Commencing March 30, 2021, the District began reopening classrooms for in-person instruction to students who wished to return to campus for an onsite/online hybrid instructional model. By April 19, 2021, the District had reopened all classrooms for in-person instruction to students who wished to return to campus for an onsite/online hybrid instructional model. The District operated the 2022-23 school year in person, and is operating the 2023-24 school year in-person.

California fully reopened the economy on June 15, 2021. Businesses and activities returned to normal, except for certain “mega events” (1,000 people indoors or 10,000 outdoors), which may still be subject to certain recommended restrictions. Capacity limits and social distancing requirements have ended in most cases. The District cannot provide any assurance that under certain circumstances, additional State measures may be put back into place or updated California Department of Public Health Orders may be issued due to variants, a significant increase in the number of COVID-19 cases, updated guidance by the Centers for Disease Control and Prevention, or other factors.

Notwithstanding the impacts the coronavirus may have on the global and national economy, the economy in the State and the District, or on the District’s revenues, the Bonds described herein are voter-approved general obligations of the District payable solely from the levy and collection of *ad valorem* property taxes, unlimited as to rate or amount, and are not payable from the general fund of the District. Although the Bonds are payable solely from *ad valorem* property taxes and not from the general fund of the District, the District cannot predict what future impacts the outbreak may have on its operations and budget.

The District has in the past, and may again in the future, receive guidance on the COVID-19 pandemic from County health officials and the County Superintendent of Schools, which may monitor the coronavirus situation in accordance with coronavirus guidelines for schools published by the Centers for Disease Control and Prevention.

Risks to the Property Tax Base

Certain events could cause a decline in assessed value of property in the District, requiring the County to increase tax rates in order to meet the debt service obligations on the Bonds.

The property tax base has in the past and may in the future shrink due either to base year assessment appeals or due to blanket reductions of assessed values. For more detail concerning base year assessment appeals or blanket reductions of assessed values, see “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Assessed Valuation of Property Within the District.” For a recent history of assessed value in the District, see “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Assessed Valuation of Property Within the District.”

Increased unemployment and other general economic conditions in the District may also correlate with a decline in assessed value and an increase in delinquent tax payments. Also, in the case of an earthquake that materially disrupts the economy of the Bay Area, large scale defaults on property taxes could cause delays or defaults on the Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Tax Changes and Delinquencies – *Teeter Plan – Not Applicable.*” For more information regarding unemployment and general economic conditions in the District and surrounding areas, see APPENDIX A – “THE ECONOMY OF THE DISTRICT.”

The property tax base in the District is located on a seismically active fault in California and could sustain a significant decline in value were a large-magnitude earthquake to occur. Property values in the District could also be adversely affected by a number of other natural or manmade disasters. For a more detailed discussion of earthquake risk, see “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Assessed Valuation of Property Within the District.”

Although the District may have legal authority to supplement the payments on its bonds by transferring operating revenues to the Interest and Sinking Fund were amounts on deposit therein ever insufficient to pay the

principal of and interest due on its bonds, the District is not legally obligated to use its operating revenues to support its bonds.

The reorganization of regulated utilities and the transfer of electricity generating property between state-assessed utilities and non-utility companies may also have an effect on the size of the District's tax base. A more in-depth discussion of how state-assessed property affects the size of the tax base is available at "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Assessed Value of Property Within the District."

District Financial Risks

Neither the principal of, nor interest on, the Bonds is payable from the District's General Fund or from State revenues. The Bonds are paid by the County solely from *ad valorem* property taxes levied by the County – moneys over which the District exerts no control. Nevertheless, the District has presented information concerning its finances and operations and has detailed the State funding of education in Appendix B as supplementary information. Because some of the events and circumstances discussed in Appendix B are anomalous, they are noted below.

Reserve for Economic Uncertainty. The District is required to maintain a reserve for economic uncertainty equal to 2.0% of annual General Fund expenditures and other financing uses (the "**Minimum Reserve**"). As a result of the District's major review of budget assumptions in fiscal year 2018-19, the Board of Education adopted a budget resolution (the "**District Budget Resolution**") which requires the District to maintain a minimum reserve of 2.5% in fiscal year 2018-19 and no less than 3.0% in fiscal years 2019-20 through 2021-22. Due to increased costs of compensation, pension, health, and welfare benefits which outpaced the increase in revenue, as well as a marginal decrease in enrollment, the District's adopted budget for fiscal year 2019-20 implemented approximately \$14 million in budgetary cuts in order to achieve the targeted minimum reserve in fiscal year 2019-20, with the result that the District met the Minimum Reserve requirement set forth in the District Budget Resolution for such fiscal year.

On August 8, 2018, the District adopted a resolution implementing additional budget reductions for fiscal year 2019-20 to improve its financial position and commitment to fiscal solvency. Based on an improved budget outlook and increased LCFF (as defined herein) revenue from the State Governor's 2019-20 Proposed Budget, the budget reduction target was adjusted to \$21.75 million (inclusive of approximately \$1.4 million of projected revenue enhancements), and the District committed to such budget reductions and revenue enhancements in order to maintain a 3% minimum reserve, based on the District Budget Resolution. While the District was contemplating applying new budgetary assumptions, the District submitted its first interim budget report, which included assumptions regarding certain investments in salary compensation and reductions of expenditures of \$15 million beginning in fiscal year 2019-20, and an additional \$28 million beginning in fiscal year 2020-21. The District's second interim budget report included the \$21.75 million budget reduction target. Based on the assumptions included in each interim report, the District recommended a positive certification on its first and second interim budget reports for fiscal year 2018-19, however, the Alameda County Office of Education ("**ACOE**") revised such certifications from positive to qualified based on some of the underlying assumptions and inconsistency in prior-year forecasts.

On June 26, 2019, the District adopted its budget for fiscal year 2019-20, and the multiyear projections included in such budget indicated that the District would not meet the Minimum Reserve requirement in fiscal year 2021-22, with significant net decreases to the general fund balance in fiscal years 2020-21 and 2021-22. As a result, the Board of Education adopted a resolution which required the District to commit to budgetary expenditure reductions and/or revenue enhancements of approximately \$10.0 million in fiscal year 2020-21 and \$10.5 million in fiscal year 2021-22, to be adjusted as necessary as the multi-year assumptions and projections were updated. The District implemented approximately \$21.8 million in budgetary reductions, including \$11.9 million in reductions to central administrative costs, \$3.8 million in reductions to central services to sites, and \$3.0 million in reductions in site discretionary budgets.

On June 24, 2020, the District adopted its budget for fiscal year 2020-21, and the multiyear projections included in such budget indicated that the District would not meet the Minimum Reserve requirement in fiscal years 2021-22 and 2022-23, unless budgetary expenditure reductions of \$16.5 million were implemented. As a result, the Board of Education adopted a resolution which required the District to commit to budgetary expenditure reductions and/or revenue enhancements of approximately \$15.5 million in fiscal year 2020-21 and a reduction in the Minimum

Reserve requirement in fiscal year 2020-21 by \$1.4 million, to be adjusted as necessary as the multiyear assumptions and projections are updated. The District developed the 2020-21 Budget Reduction Options and Bridge Plan (the “**2020-21 Budget Reduction Plan**”), which was approved by the Board of Education of the District on April 28, 2021. The 2020-21 Budget Reduction Plan supported the development of the District’s 2021-22 budget, as well as necessary reductions for the 2022-23 school year. The District implemented approximately \$18.8 million in budgetary solutions, including \$3.0 million in reductions in site discretionary funding, \$2.1 million in reductions through consolidation of fiscal services functions, and \$1.3 million in reductions and consolidations in District communications, strategy and support services.

On June 30, 2021, the District adopted its budget for fiscal year 2021-22, and the multiyear projections included in such budget indicated that the District would not meet the Minimum Reserve requirement in fiscal year 2021-22, unless budgetary expenditure reductions of \$16.0 million were implemented. Such budgetary expenditure reductions were detailed in the 2021-22 Budget Reduction Plan, which was developed in part to address budgetary challenges facing the District in fiscal years 2021-22 and 2022-23. [The District implemented approximately \$3.4 million in budgetary solutions, including \$1.6 million in reductions due to elimination of its contribution to the Child Nutrition Fund and \$1.8 million in reductions to central services from reorganization of police services. Additionally, the District implemented a one-time bridge plan based on the District’s receipt of \$16.0 million from federal and State COVID-19 relief funding sources.] [Subject to update]

On June 29, 2022, the District adopted its budget for fiscal year 2022-23, which reflected a \$27.3 million deficit in the unrestricted general fund, which was also reflected in the out years in the multiyear projections. [The District anticipated increases in State revenues, specifically for average daily attendance, and budgetary expenditure reductions of \$[_.] million were expected to be implemented. Such budgetary expenditure reductions were detailed in the 2022-23 Budget Reduction Plan, which was developed in part to address budgetary challenges facing the District in fiscal years 2022-23 and 2023-24. The District implemented approximately \$[_.] million in budgetary solutions, including [details of expenditure reductions].] [Subject to update]

On June 28, 2023, the District adopted its budget for fiscal year 2023-24, which reflected deficit spending in the out years in the multiyear and declining restricted general fund revenues. [The District expects to implement budgetary expenditure reductions of \$[_.] million. Such budgetary expenditure reductions are detailed in the 2023-24 Budget Reduction Plan, which was developed in part to address budgetary challenges facing the District in fiscal years 2023-24 through 2025-26.] [Subject to update]

The District’s financial and budgetary practices have been subject to increased oversight by the Financial Crisis Management Assistance Team (“**FCMAT**”), as well as the ACOE, in part due to the passage of Assembly Bill 1840 (which became effective on September 17, 2018) (“**AB 1840**”). See “– FCMAT Oversight and Reports.” ACOE released a grand jury report on June 21, 2019 which detailed allegations of poor management and oversight as well as a problematic administrative culture, and detailed eleven findings and ten recommendations to address these issues. In September 2019, the District replied, with responses to each of the findings and recommendations.

Dependence on State Funds. Due to District dependence on the State for a substantial portion of its operating funds, reductions in State funding may have an adverse effect on the District’s financial health. In past years the State has reduced its funding of the District to try to address shortfalls in the State budget, and these reductions have caused concomitant reductions in the District’s budget. For a more detailed discussion of the relationship between State funding of education and the District’s budget, see APPENDIX B – “INFORMATION RELATING TO THE DISTRICT’S OPERATIONS AND BUDGET.”

Budgetary Risks. The District’s first and second interim budget reports for fiscal year 2022-23 were qualified, indicating that the District would not be able to meet its financial obligations for the two subsequent fiscal years. The District self-certified its third interim budget report for fiscal year 2022-23 as qualified. See APPENDIX B – “INFORMATION RELATING TO THE DISTRICT’S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS – District Budget Process and County Review.”

Healthcare Costs – HBGB. In 2015, as part of contract negotiations and in an attempt to contain healthcare costs, the District established the Health Benefits Governing Board (“**HBGB**”) pursuant to the Health and Welfare Agreement (the “**HBGB Agreement**”) by and among the District and each of the labor unions operating within the

District at the time. Pursuant to the HBGB Agreement, the District was required to set aside revenue into a Health and Welfare Fund that would be used for the District's contribution to employee health and welfare benefits beginning on July 1, 2015 and in future years. Any unspent revenue for the Health and Welfare Fund pursuant to the formula must remain as a fund reserve set aside to mitigate future increases in health and welfare benefit costs. The formula by which the District determines the amounts it is required to deposit in the Health and Welfare Fund is complicated and there has been disagreement among the District, ACOE and FCMAT about the exact deposit amounts. Additionally, due to budgetary pressures and the complex accounting procedures the HBGB Agreement requires, the District has not funded the Health and Welfare Fund and did not begin accounting for the unspent Health and Welfare Fund reserves until the 2018-19 school year. The District, its auditors, ACOE and FCMAT have also disagreed about whether the amounts the District was required to make pursuant to the HBGB Agreement but has not yet made must be recorded as a current year liability in its financial statements. [If the District does recognize the amounts owed as a current liability, \$9 million would be owed and the District's assets would decrease commensurately. The District has proposed a plan by which it would make deposits in the Health and Welfare Fund of \$2.25 million over four years to eliminate the \$9 million liability, and is also in the process of negotiating to rework the formula by which deposit amounts are determined. The \$2.25 million payments have not yet been incorporated into the District's multiyear budget projections. The District is in the process of discussing with its labor organizations the proposed structural changes which would impact the formula used to determine the District's annual contribution to the Health and Welfare Fund. The current HBGB Agreement remains in effect until the District or any signatory union submits a request to renegotiate. The District estimates it will need to deposit \$3.5 million per year until a new formula is agreed upon. The District cannot predict what effect a new formula will have on its finances, or whether the HBGB Agreement will be extended upon its expiration.] [Subject to update]

Audit Reports; Qualified Opinion

The District's auditor expressed a qualified opinion on the District's financial statements for fiscal years 2012-13 through 2020-21 because the financial statements did not include the ASB funds (as described below), and statements for such fund are required by generally accepted accounting principles in the United States of America. Except for the omission of the ASB funds, the District's auditor opined that the District's financial statements for fiscal years 2012-13 through 2020-21 fairly present, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the District, as of the respective date of each report, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Associated student body funds ("ASB funds") are the funds collected and held at school sites specifically for student activities. The District had not previously prepared a summary of the ASB funds in an auditable format. Therefore, the required schedule of these fiduciary funds was not presented in the financial statements, and the auditors were not able to provide an unqualified opinion on the District's financial statements for fiscal years 2012-13 through 2020-21.

The District began collecting information on the ASB funds, including site visits, during fiscal year 2015-16. The District plans to collect, review and monitor all ASB account information. The District's financial statements for fiscal year 2021-22 included ASB funds and the District's auditor indicated that this audit finding was resolved.

The District's auditor expressed a qualified opinion on the District's financial statements for fiscal years 2020-21 and 2021-22 because the District did not comply with the attendance reporting requirements for Twenty-First Century Community Learning Centers (as described below), which is necessary for compliance with the associated federal program.

The State Department of Education ("CDE") administers the Twenty-First Century Community Learning Centers program. It is a State-administered, federally funded program that provides five-year grant funding to establish or expand before and after-school programs that provide disadvantaged kindergarten through twelfth-grade students with academic enrichment opportunities and supportive services to help the students meet State and local standards in core content areas. The District evidences student participation by reporting attendance to the CDE. The daily attendance is recorded for all the students attending the after-school program on each school day the program operates.

The District’s auditor identified a material weakness in internal control over compliance and noncompliance because there were errors in the attendance reported to the CDE.

In response to this audit finding, the District transitioned to a new attendance accounting system for the afterschool program during fiscal year 2021-22. Although the District’s management expects the new system to ultimately increase the accuracy the attendance reporting, there were challenges with the new system. The CDE has accepted the District’s attendance report as of August 2022, and the auditor expects an improved outcome during fiscal year 2022-23.

The financial information presented in Appendix C represents the audited financial statements of the District for fiscal year ended June 30, 2022. The financial information presented in Appendix B is generally derived from such audited information except where audited information is unavailable. For further discussion, see APPENDIX B – “INFORMATION RELATING TO THE DISTRICT’S OPERATIONS AND BUDGET.”

ACOE reviews the District’s budget, interim and unaudited financial reports throughout the year. The ACOE also reviews and processes expenditures and receipts and performs internal reconciliation of the District’s cash and budget. See APPENDIX B – “INFORMATION RELATING TO THE DISTRICT’S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS.” See also “– District Financial Considerations” below.

Audit Liabilities. The District’s finances are audited annually, and the District is in the process of resolving findings from past audits. The external auditors identified 13 findings in fiscal year 2018-19, and none of the findings resulted in financial liabilities, although there were \$4 million in audit adjustments in the fiscal year 2018-19 audit. The external auditors identified 15 findings for fiscal year 2019-20, and none of which carry a material financial liability although the District’s general fund is subject to approximately \$2.7 million in audit adjustments for such fiscal year. [The external auditors identified 10 findings in fiscal year 2020-21, and none of the findings resulted in financial liabilities, although there were \$275,000 in audit adjustments in the fiscal year 2020-21 audit. The external auditors identified 11 findings in fiscal year 2021-22, and none of the findings resulted in financial liabilities, although there were \$[_____] in audit adjustments in the fiscal year 2021-22 audit.] See APPENDIX B – “INFORMATION RELATING TO THE DISTRICT’S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS – Audit Findings.”

FCMAT Oversight and Reports

In April 2017, the District and FCMAT entered into an agreement to conduct a fiscal health risk analysis and determine the risk rating of the District. On August 15, 2017, FCMAT delivered its fiscal health risk analysis (the “**Fiscal Health Risk Analysis**”) which recommended that the District take immediate action to avoid further erosion of the District’s reserves and a possible fiscal emergency. In the Fiscal Health Risk Analysis, FCMAT identified several signs of fiscal distress for the District, including deficit spending, substantial reductions in fund balance, inadequate reserve levels, approval of a bargaining agreement beyond cost-of-living adjustments, large increases in contributions to restricted programs (especially in special education), lack of oversight allowing for positions to be created before verification of funding and approval, breakdown in leadership with excessive turnover, and the inability to hold administrators accountable who had been allowed to overspend budgets and override policy. FCMAT reviewed twenty fiscal indicators in its analysis, noting that districts that respond “No” to seven or more fiscal indicators may have cause for concern and could require some level of fiscal intervention. Based on FCMAT’s analysis, the District responded “No” to eight of the twenty fiscal indicators.

On January 22, 2018, the ACOE and FCMAT entered into an agreement to provide the District with on-site technical assistance in two phases. During Phase I, FCMAT’s assistance included reviewing the District’s fiscal year 2017-18 General Fund budget and developing consensus among the District, ACOE, and WestEd (a consultant of the District) regarding budget assumptions. Using those validated budget assumptions, FCMAT reviewed the fiscal year 2017-18 General Fund cash forecast to determine whether the District had sufficient cash resources through June 2018 to meet its obligations. On May 31, 2018, FCMAT delivered its management letter regarding Phase I (the “**Phase I Letter**”), concluding that the District would end the then-current fiscal year with a positive cash position in the General Fund of approximately \$17.4 million. FCMAT noted, however, that the ending cash balance was approximately \$6.2 million less than the then-current fiscal year’s beginning cash balance, and \$22.5 million less than the beginning cash balance in fiscal year 2016-17. FCMAT reported that the District’s cash was on a declining

trajectory (a 56.5% decrease in the prior two years at the time of the analysis) and indicated that the pattern was not sustainable. Moreover, FCMAT estimated that revenues in fiscal year 2017-18 would decline by approximately \$2.9 million and expenditures would decline by only approximately \$520,000 from fiscal year 2016-17 levels. The analysis concluded that the District was in financial distress, and that without significant corrective action the District's fund balance and longer-term cash balance would continue to decline.

The Phase I Letter points to several factors that caused concern or hindered FCMAT's ability to conduct an open and honest assessment of the District's financial condition. Specifically, in providing reasoning for excluding proposed expenditure reductions of \$9 million from its calculations, FCMAT cited a history of deficit spending and indicated that the District's recent actions called into question the political will of the District and its Board of Education to implement such expenditure reductions. Additionally, FCMAT noted that the District has previously sustained the minimally required state reserve levels through improper interfund borrowing, which positively impacted General Fund cash flow and fund balance. FCMAT observed that such interfund borrowing should be audited, quantified and repaid, and the District should establish a multiyear plan to reverse such borrowing and restore cash balances to other funds.

During Phase II, FCMAT helped to create a General Fund multi-year financial projection for fiscal years 2017-18, 2018-19, and 2019-20. On July 2, 2018, FCMAT delivered its management letter regarding Phase II (the "**Phase II Letter**") in which it found that the District had fallen into a pattern of deficit spending, a pattern described by FCMAT as a structural deficit. FCMAT indicated that the District's spending pattern eliminated its unrestricted fund balance, leaving the District in a troubling condition for its financial future. FCMAT observed that the unrestricted fund had a negative balance of approximately \$15.6 million in fiscal year 2017-18 which would escalate to approximately \$76.3 million in fiscal year 2019-20, and that the problems with the unrestricted fund were being masked by activities in the restricted fund. The Phase II Letter concludes with eighteen recommendations for the District, including developing short- and long-term financial plans based on reasonable economic assumptions, and implementing those plans with a commitment to attaining financial solvency, monitoring and projecting student enrollment and A.D.A. at each reporting period, updating revenue budgets throughout the fiscal year, being conservative when budgeting amounts for local revenue and updating the budget throughout the fiscal year to account for year-to-date receipts, and making a plan to use restricted dollars in the fiscal year in which they are received. See APPENDIX B – "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS – Accounting Practices."

On March 1, 2019, FCMAT delivered a letter to the Director of the State Department of Finance, the Chair of the State Assembly Committee on Budget and its Committee Members, and the Chair of the State Senate Committee on Budget and Fiscal Review and its Committee Members regarding the District, in accordance with FCMAT's responsibilities under AB 1840 (the "**AB 1840 Letter**").

The AB 1840 Letter contained FCMAT's conclusions that the District would have projected operating deficits of approximately \$9.0 million in fiscal year 2018-19 and approximately \$6.4 million in fiscal year 2019-20. FCMAT also noted that, when taking into account the cost of additional intervention by ACOE, the projected operating deficits of the District would be approximately \$10.4 million in fiscal year 2018-19 and approximately \$7.6 million in fiscal year 2019-20. FCMAT's conclusion, however, was subject to the caveat that there were several factors that would influence its budget projections that were unknown at the time of the analysis. Specifically, FCMAT did not include in its calculations any cost increases that would result from any bargaining unit settlement; FCMAT delivered the AB 1840 Letter the day after the District reached a tentative agreement with members of the OEA and stated that it and ACOE would need additional time to analyze the impact of the settlement on the deficit calculation. Additionally, settlements between the District and the other labor organizations representing District employees may have had an impact on District finances.

On April 24, 2019, FCMAT delivered an updated letter to the Director of the State Department of Finance, the Chair of the State Assembly Committee on Budget and its Committee Members, and the Chair of the State Senate Committee on Budget and Fiscal Review and its Committee Members regarding the District, in accordance with FCMAT's responsibilities under AB 1840 (the "**Second AB 1840 Letter**").

The Second AB 1840 Letter contained FCMAT's conclusions that, under the scenario including the cost of potential labor settlements for all employee units, the District would have projected operating surpluses of

approximately \$4.6 million in fiscal year 2018-19 and approximately \$0.5 million in fiscal year 2019-20. FCMAT also noted that, when taking into account the cost of additional intervention by ACOE, the projected operating surplus of the District would be approximately \$3.1 million in fiscal year 2018-19 and a projected operating deficit of approximately \$0.5 million in fiscal year 2019-20. However, FCMAT's conclusions did not take into account several factors that would influence its budget projections because such factors were unknown at the time of the analysis. Specifically, FCMAT's calculations did not account for (i) the District Budget Resolution, which requires budget reductions totaling \$21.75 million, or (ii) budgetary savings resulting from significant reductions in FTE positions. The elimination of over 250 FTE positions has necessitated a redesign of the organizational structure of the District. The redesign is currently ongoing. FCMAT also noted that an estimated \$1 million or more in accrued vacation balances will be paid due to positions being eliminated in fiscal year 2018-19; at the time, the District had not fully calculated this liability, which would partially offset planned savings. Finally, FCMAT remarked that the final outcome of other bargaining unit negotiations is unknown and may have a significant impact. See APPENDIX B – "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS – Employees and Labor Relations."

On January 15, 2020, FCMAT delivered an updated letter to the Director of the State Department of Finance, the Chair of the State Assembly Committee on Budget and its Committee Members, and the Chair of the State Senate Committee on Budget and Fiscal Review and its Committee Members regarding the District, in accordance with FCMAT's responsibilities under AB 1840 (the "**Third AB 1840 Letter**").

The Third AB 1840 Letter contained FCMAT's conclusions that, under the scenario including the cost of settled collective bargaining agreements with OEA and SEIU, the District would have projected operating deficits of approximately \$15.0 million in fiscal year 2019-20 and approximately \$23.6 million in fiscal year 2020-21. These projected deficits reflect increases from the projected operating deficits of approximately \$734,400 in fiscal year 2019-20 and approximately \$8.1 million in fiscal year 2020-21 set forth in the District's budget, which only take into account the settled collective bargaining agreement with OEA. FCMAT also provided a status update on the District's progress toward the required AB 1840 Benchmarks. FCMAT concluded that the District still faces obstacles affecting fiscal solvency, including (i) the unsettled negotiations with five bargaining units, (ii) the need for additional budget cuts, and (iii) hiring and retaining a permanent qualified staff in the Business Division. FCMAT also noted the District's progress with its Citywide Plan and its establishment of a 7-11 Committee to assist in identifying surplus properties to lease or sell. For further information on the Citywide Plan, see APPENDIX B – "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET – THE DISTRICT – Strategic Plan; School Closures."

On March 2, 2020, FCMAT delivered an updated letter to the Director of the State Department of Finance, the Chair of the State Assembly Committee on Budget and its Committee Members, and the Chair of the State Senate Committee on Budget and Fiscal Review and its Committee Members regarding the District, in accordance with FCMAT's responsibilities under AB 1840 (the "**Fourth AB 1840 Letter**").

The Fourth AB 1840 Letter contained FCMAT's conclusions that, under the scenario including the cost of settled collective bargaining agreements with OEA and SEIU, as well as the remaining unsettled salary agreements, the projected operating deficit of the District would be approximately \$33.6 million in fiscal year 2019-20 and approximately \$32.0 million in fiscal year 2020-21. These projected deficits reflect increases from the projected operating deficits of approximately \$25.0 million in fiscal year 2019-20 and approximately \$18.9 million in fiscal year 2020-21 set forth in the District's budget, which only take into account the settled collective bargaining agreements with OEA and SEIU. FCMAT also noted the District's progress toward the required AB 1840 Benchmarks and significant improvement in the District's financial planning, reporting and budgetary processes, including (i) identifying surplus property for lease or sale, resulting in consolidation or closure of vacant school sites, and (ii) increasing budgetary reserves. FCMAT concluded that the District's continuous improvement and full implementation of budgetary decisions is reliant upon hiring and retaining a highly qualified permanent staff.

On November 4, 2020, FCMAT delivered an updated letter to the Director of the State Department of Finance, the Chair of the State Assembly Committee on Budget and its Committee Members, and the Chair of the State Senate Committee on Budget and Fiscal Review and its Committee Members regarding the District, in accordance with FCMAT's responsibilities under AB 1840 (the "**Fifth AB 1840 Letter**").

The Fifth AB 1840 Letter contained FCMAT's conclusions that the District would have projected operating deficits of approximately \$12.3 million in fiscal year 2021-22 and approximately \$28.3 million in fiscal year 2022-23, consistent with the District's approved budgetary and financial reports. FCMAT cautioned the District to remain vigilant in its implementation of budget solutions to eliminate deficit spending, and avoid the use of unsubstantiated miscellaneous adjustments. FCMAT noted the District's progress in implementing its Citywide Plan, which demonstrates the District's commitment to move forward with the process of leasing and/or selling vacant properties. FCMAT also noted the District's progress toward the required AB 1840 Benchmarks and significant improvement in the District's financial planning, accuracy of reporting and budgetary systems and processes. FCMAT concluded the District's continuous improvement and full implementation of budgetary decisions is reliant upon hiring and retaining a permanent Chief Business Officer.

On March 1, 2021, FCMAT delivered an updated letter to the Director of the State Department of Finance, the Chair of the State Assembly Committee on Budget and its Committee Members, and the Chair of the State Senate Committee on Budget and Fiscal Review and its Committee Members regarding the District, in accordance with FCMAT's responsibilities under AB 1840 (the "**Sixth AB 1840 Letter**").

The Sixth AB 1840 Letter contained FCMAT's conclusions that the District would have projected operating deficits of approximately \$40.0 million in fiscal year 2021-22, and approximately \$64.4 million in fiscal year 2022-23. These projected deficits reflect increases from the projected operating deficits of approximately \$17.0 million in fiscal year 2021-22 and approximately \$28.3 million in fiscal year 2022-23 set forth in the District's budget, which rely on miscellaneous budgetary adjustments that are not identified or substantiated. FCMAT noted the county superintendent's letter in response to the District's first interim budget report for fiscal year 2020-21, and his cited concerns regarding the calculation of LCFF revenue, a potential liability related to the HBGB, lack of progress on the Fiscal Vitality Plan (defined below), lack of progress on the Blueprint for Quality Schools (a component of the Citywide Plan), cash flow, deficit spending, and proposed reductions as noted in the assumptions used by the District in developing its multiyear projections. FCMAT also noted the District's progress toward the required AB 1840 Benchmarks and significant progress in many business areas. FCMAT commented that the Citywide Plan's goal of better matching District facilities to student enrollment is critical to the fiscal solvency of the District. FCMAT concludes that the District has achieved dramatic improvement in many processes and procedures due to the AB 1840 implementation and sustained involvement and intervention from the county superintendent. However, FCMAT remarked that policies unique to the District continued to foster instability and a lack of progress toward recognized best practices, including: (i) the decentralization of decision making due to Board Policy 3150 (Results Based Budgeting), (ii) the lack of consistent personnel in key administrative positions, (iii) the District's struggle to meet improvement plans such as the Fiscal Vitality Plan, and (iv) a lack of commitment by the governance team to implement their own decisions, specifically a failure to implement adopted budget adjustments. FCMAT concluded that addressing these issues, along with intensive support from the ACOE, would be necessary to prevent insolvency.

The District implemented its 2018-2020 Fiscal Vitality Plan (the "**Fiscal Vitality Plan**") to provide recommendations responsive to the Fiscal Health Risk Analysis. A draft of the Fiscal Vitality Plan was released to the public for comment and input and requires ongoing engagement with the District's Board of Education, staff and community. The Fiscal Vitality Plan sets forth 23 recommendations for actions to rectify the District's poor fiscal health. These recommendations consist of: (i) stabilizing measures, such as midyear adjustments for the fiscal year 2017-18 budget and changes to monitoring and forecasting; (ii) recovery measures, such as fiscal year 2018-19 budget development that eliminates deficit spending and reorganizes the District's central office, establishment of internal controls relating to the budget and position control, implementation of a new system to manage finance and human resource information, and revenue maximization; and (iii) vitality measures, such as defining roles and responsibilities for District oversight, and finalizing and implementing the Quality Schools Action Plan and Facilities Master Plan. Between 2017 and 2020, the District completed or made significant progress on nearly all of the recommended actions set forth in the Fiscal Vitality Plan. In accordance with its terms, the Fiscal Vitality Plan expired in 2020.

On February 24, 2021, the District adopted its three-year Fiscal Sustainability Plan (the "**Fiscal Sustainability Plan**") as a new plan and successor to the Fiscal Vitality Plan. The Fiscal Sustainability Plan identifies five areas that the District needs to prioritize in order to continue on its path to fiscal sustainability. These five areas consist of: (i) Budget and Operational Practices; (ii) Budget Development and Stakeholder Engagement; (iii) School Quality and Enrollment; (iv) Use of Restricted Resources; and (v) Ability to Make Difficult Decisions. Pursuant to

the Fiscal Sustainability Plan, the Superintendent will annually (i) develop specific actions for each priority; (ii) ensure that sure actions are implemented; and (iii) provide a summary of which actions were fully implemented, partially implemented, and not implemented. [Subject to update]

On January 4, 2022, FCMAT delivered an updated letter to the Director of the State Department of Finance, the Chair of the State Assembly Committee on Budget and its Committee Members, and the Chair of the State Senate Committee on Budget and Fiscal Review and its Committee Members regarding the District, in accordance with FCMAT's responsibilities under AB 1840 (the "**Seventh AB 1840 Letter**" and, together with the AB 1840 Letter, the Second AB 1840 Letter, the Third AB 1840 Letter, the Fourth AB 1840 Letter, the Fifth AB 1840 Letter and the Sixth AB 1840 Letter, the "**AB 1840 Letters**").

The Seventh AB 1840 Letter contained FCMAT's conclusions that without the one-time COVID-19 funding, the District would have deficits of approximately \$25.7 million in fiscal year 2021-22, and approximately \$55.6 million in fiscal year 2022-23. FCMAT stated that the District has a significant structural deficit and ongoing salary increases, and continued adoption and implementation of budgetary solutions is necessary. FCMAT also noted the District's progress toward the required AB 1840 Benchmarks and its significant progress in many business areas. FCMAT noted that the District's adoption and implementation of necessary budget measures has not progressed and in fiscal year 2021-22 the District did not execute on substantive and identifiable budget reductions. FCMAT also commented on the District's limited success with fully implementing and adhering to budgetary reductions adopted in the prior fiscal year. FCMAT also noted that the District has ceased considering school consolidations or moving forward with the Citywide Plan. FCMAT summarized the County's monitoring of the implementation of the Fiscal Vitality Plan, noting that many of the recommendations have been completed though in some instances the District struggles to maintain the improvement. FCMAT concluded that the District had previously shown progress regarding budget stabilization and planning, but that the progress made on several benchmarks has slowed or even regressed. FCMAT stated that the District acknowledged that recent decisions would preclude its eligibility to receive the \$10 million AB 1840 apportionment in fiscal year 2021-22, however, the final analysis of the District's eligibility would be made closer to the end of fiscal year 2021-22 based on the District's actions at that time.

FCMAT's oversight of the District's financial and budgetary practices under AB 1840 was extended by the passage of Assembly Bill 181 (which became effective on June 30, 2022) ("**AB 181**"). On March 31, 2023, FCMAT delivered a letter to the Director of the State Department of Finance, the Chair of the State Assembly Committee on Budget and its Committee Members, and the Chair of the State Senate Committee on Budget and Fiscal Review and its Committee Members regarding the District, in accordance with FCMAT's responsibilities under AB 181 (the "**AB 181 Letter**").

The AB 181 Letter provides FCMAT's findings regarding the District's achievement of the requirements outlined in AB 181, as codified in Sections 42162(a) and (c) of the Education Code. FCMAT noted that, with respect to the requirements set out in Section 42162(a) of the Education Code, the District: (1) failed to implement its Fiscal Sustainability Plan, (2) rescinded the Board of Education's previous decision to close or consolidate schools, (3) failed to update its Master Facilities Plan and (4) received an audit report that notes material weaknesses in the District's internal controls. FCMAT noted the District achieved some but not all of the requirements set out in Section 42162(c) of the Education Code. FCMAT recommended that the District: (1) create and carry out measurable corrective actions with respect to streamlining operations, increasing efficiency, and providing better services to students, based on reports provided by third-party evaluators and (2) complete and implement multiyear, fiscally solvent budgets and budget plans, resulting in part in positive certifications on the District's interim budget reports. FCMAT noted the District's significant progress in increasing its budget reserves since fiscal year 2017-18, and its correction of the balance of unrestricted and restricted reserves in the overall general fund balance. FCMAT noted that, using its assumptions with respect to the District's multiyear projections, such projections indicate deficit spending of \$7.9 million in fiscal year 2024-25. FCMAT's evaluation of conditions and criteria outlined in Sections 42163(a) and (c) confirm that the District did not meet the requirements for additional apportionment. Finally, FCMAT stated that the District made the final payment on the portion of its Emergency Apportionment Loan (defined herein), that was provided through the California Infrastructure and Economic Development Bank, freeing up \$3.8 million in annual debt service beginning in fiscal year 2023-24. FCMAT recommended starting the process for a fiscal systems audit before it pays off the balance of the Emergency Apportionment Loan.

In the course of its oversight, FCMAT reviewed the District's use of bond proceeds from prior bond issuances to pay rent for the District's temporary administrative office. FCMAT has questioned whether there is a capital project to which these costs can be capitalized. A similar question has been raised by ACOE in a grand jury report, by the District's auditor in its fiscal year 2017-18 performance audit of its bond program, and by the District's bond oversight committee. [The District is no longer renting the temporary administrative office, and does not intend to use proceeds of the Bonds for payment of rent at any District facilities.]

For further information on FCMAT's review of and conclusions regarding the District's financial condition, investors are directed to read the full version of the Financial Health Risk Analysis, the Phase I Letter, the Phase II Letter, the AB 1840 Letters and the AB 181 Letter, each of which is publicly available on FCMAT's website at the following address: <http://www.fcmat.org/takenote/>. The information referred to is prepared by FCMAT and not by the District, and the District can take no responsibility for the continued accuracy of this internet address or for the accuracy, completeness or timeliness of information posted there, and such information is not incorporated herein by these references.

Federal Subsidy Payments on Direct Subsidy Bonds and Tax Credit Bonds

As a result of payroll tax penalties owed by the District in fiscal year 2018-19, the Internal Revenue Service (the "IRS") intercepted federal subsidy payments of approximately \$1.2 million to be paid to the District in connection with its Taxable General Obligation Bonds (Election of 2006, Series 2009B) (Build America Bonds). The District has since reimbursed the Interest and Sinking Fund for the amount of the intercepted subsidy. [The District's efforts to receive a waiver of the full amount of the penalties and a rebate of amounts paid to date from the IRS are ongoing. The District cannot predict whether it will receive the requested waiver and rebate of amounts paid, or, if received, the timing or receipt of such amounts.]

The District cannot predict whether and to what extent federal subsidy payments for direct subsidy bonds or tax credit bonds may be intercepted, or the extent to which sequestration may effect the District's receipt of federal subsidy payments in the future.

[School Site Incidents

In the current school year, Chabot Elementary School which is located within the District has been the subject of two bomb threats. Neither threat resulted in harm to students or District staff, nor the destruction or damage of District facilities.

Additionally, in the current school year, a school shooting occurred at Skyline High School which is located within the District. The shooting did not result in harm to students or District staff, nor the destruction or damage of District facilities.

The District cannot predict whether and to what extent such incidents may effect the District's enrollment and average daily attendance.]

Cybersecurity

The District relies on a large and complex technology infrastructure to conduct its operations. The District and its departments routinely face cybersecurity threats including, but not limited to, hacking, viruses, malware and other attacks on computers and other sensitive digital networks and systems. No assurances can be given that the security and operational control measures of the District will be successful in guarding against any and each cyber threat and attack. The results of any attack on the computer and information technology systems could have a material adverse impact on the operations of the District and damage the digital networks and systems. The District cannot predict the outcome of any such attack, nor the effect on the operations and finances of the District.

Possible Limitations on Remedies

General. Following is a discussion of certain considerations in the event that the District should become a debtor in a bankruptcy proceeding. It is not an exhaustive discussion of the potential application of bankruptcy law to the District.

State law contains a number of safeguards to protect the financial solvency of school districts. If the safeguards are not successful in preventing the District from becoming insolvent, the State Superintendent of Public Instruction (the “**State Superintendent**”), operating through an administrator appointed by the State Superintendent, may be authorized under State law to file a petition under Chapter 9 of the United States Bankruptcy Code (the “**Bankruptcy Code**”) on behalf of the District for the adjustment of its debts, assuming that the District meets certain other requirements contained in the Bankruptcy Code necessary for filing such a petition. Under current State law, the District is not itself authorized to file a bankruptcy proceeding, and it is not subject to an involuntary bankruptcy proceeding.

Bankruptcy courts are courts of equity and as such have broad discretionary powers. If the District were to become the debtor in a proceeding under Chapter 9 of the Bankruptcy Code, the parties to the proceedings may be prohibited from taking any action to collect any amount from the District or the County (including *ad valorem* tax revenues) or to enforce any obligation of the District, without the bankruptcy court’s permission. In such a proceeding, as part of its plan of adjustment in bankruptcy, the District may be able to alter the priority, interest rate, principal amount, payment terms, collateral, maturity dates, payment sources, covenants (including tax-related covenants), and other terms or provisions of the Bonds and other transaction documents related to the Bonds, including the obligation of the County and the District to raise taxes if necessary to pay the Bonds, if the bankruptcy court determines that the plan is fair and equitable and otherwise complies with the Bankruptcy Code. There also may be other possible effects of a bankruptcy of the District that could result in delays or reductions in payments on the Bonds. Regardless of any specific adverse determinations in any District bankruptcy proceeding, the fact of a District bankruptcy proceeding could have an adverse effect on the liquidity and market price of the Bonds.

Limitations on Plans of Adjustments. Chapter 9 of the Bankruptcy Code provides that it does not limit or impair the power of a state to control, by legislation or otherwise, a municipality of or in the state, in the exercise of its political or governmental powers, including expenditures for such exercise. In addition, Chapter 9 provides that a bankruptcy court may not interfere with the political or governmental powers of the debtor, unless the debtor consents to that action or the plan so provides. State law provides that *ad valorem* taxes may be levied to pay the principal of and interest on the Bonds and other voted general obligation bonds of the District in an unlimited amount, and that proceeds of such a levy must be used for the payment of principal of and interest on the District’s general obligation bonds, including the Bonds, and for no other purpose. Under State law, the District’s share of the 1% limited tax imposed by the County is the only *ad valorem* tax revenue that may be raised and expended to pay liabilities and expenses of the District other than its voter-approved debt, such as its general obligation bonds. If the State law restriction on the levy and expenditure of *ad valorem* taxes is respected in a bankruptcy case, then *ad valorem* tax revenue in excess of the District’s share of the 1% limited County tax could not be used by the District for any purpose under its plan other than to make payments on the Bonds and its other voted general obligation bonds. It is possible, however, that a bankruptcy court could conclude that the restriction should not be respected.

Statutory Lien. Pursuant to State law, all general obligation bonds issued by local agencies, including the Bonds, are secured by a statutory lien on all revenues received pursuant to the levy and collection of the *ad valorem* taxes. State law provides that the lien automatically arises, without the need for any action or authorization by the local agency or its governing board, and is valid and binding from the time the bonds are executed and delivered. As a result, the lien on debt service taxes will continue to be valid with respect to post-petition receipts of debt service taxes, should the District become the subject of bankruptcy proceedings. However, the automatic stay provisions of the Bankruptcy Code would apply, preventing bondholders from enforcing their rights to payment from such taxes, so payments that become due and owing on the Bonds during the pendency of the Chapter 9 proceeding could be delayed.

Special Revenues. If the *ad valorem* tax revenues that are pledged to the payment of the Bonds are determined to be “special revenues” within the meaning of the Bankruptcy Code, then the application in a manner consistent with the Bankruptcy Code of the pledged *ad valorem* tax revenues that are collected after the date of the

bankruptcy filing should not be subject to the automatic stay. “Special revenues” are defined to include, among others, taxes specifically levied to finance one or more projects or systems of the debtor, but excluding receipts from general property, sales, or income taxes levied to finance the general purposes of the debtor. The District has specifically pledged the *ad valorem* taxes for payment of the Bonds. The Bonds and the District’s other general obligation bonds were approved at elections held on propositions that described the projects for which such bonds may be issued. As noted above, State law prohibits the use of the proceeds of the District’s debt service tax for any purpose other than payment of its general obligation bonds, and the bond proceeds may only be used to fund the acquisition or improvement of real property and other capital expenditures included in the proposition, so such tax revenues appear to fit the definition of special revenues. However, there is no binding judicial precedent dealing with the treatment in bankruptcy proceedings of *ad valorem* tax revenues collected for the payment of general obligation bonds in the State, so no assurance can be given that a bankruptcy court would not hold otherwise.

The Bankruptcy Code provides that there is no stay of application of pledged special revenues to payment of indebtedness secured by such revenues. The United States Court of Appeals for the First Circuit, in a case arising out of the insolvency proceedings of Puerto Rico, recently held that this provision permitted voluntary payments of debt service by the issuer of bonds backed by special revenues, but did not permit the bondholders to compel the issuer to make payments of debt service from special revenues. If this decision is followed by other courts, the holders of the Bonds may be prohibited from taking any action to require the District or the County to make payments on the Bonds without the bankruptcy court’s permission. This could result in substantial delays in payments on the Bonds.

In addition, even if the *ad valorem* tax revenues are determined to be “special revenues,” the Bankruptcy Code provides that special revenues can be applied to necessary operating expenses of the project or system, before they are applied to other obligations. This rule applies regardless of the provisions of the transaction documents. Thus, a bankruptcy court could determine that the District is entitled to use the *ad valorem* tax revenues to pay necessary operating expenses of the District and its schools, before the remaining revenues are paid to the owners of the Bonds.

Bondholders may experience delays or reductions in payments on the Bonds, the Bonds may decline in value or Bondholders may experience other adverse effects should the District file for bankruptcy.

Possession of Tax Revenues; Remedies. If the District goes into bankruptcy and the District or the County has possession of tax revenues (whether collected before or after commencement of the bankruptcy), and if the District or the County, as applicable, does not voluntarily pay such tax revenues to the Owners of the Bonds, it is not entirely clear what procedures the Owners of the Bonds would have to follow to attempt to obtain possession of such tax revenues, how much time it would take for such procedures to be completed, or whether such procedures would ultimately be successful. A similar risk would exist if the County goes into bankruptcy and has possession of tax revenues (whether collected before or after commencement of the bankruptcy).

Risk of Investment Losses. Pending delivery of *ad valorem* tax revenues to the Paying Agent, the County Treasurer may invest the *ad valorem* tax revenues in the Alameda County Investment Pool or in other investments. Should any of these investments suffer any losses, there may be delays or reductions in payments on the Bonds.

Opinion of Bond Counsel Qualified by Reference to Bankruptcy, Insolvency and Other Laws Relating to or Affecting Creditor’s Rights. The proposed forms of opinions of Bond Counsel, attached hereto as Appendix D, are qualified by reference to bankruptcy, insolvency and other laws relating to or affecting creditor’s rights.

TAX MATTERS

[Tax-Exempt Bonds

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District (“**Bond Counsel**”), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Tax-Exempt Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code and is exempt from State personal income taxes. Bond Counsel is of the further opinion that interest on the Tax-Exempt Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. We observe that, for tax years beginning after December 31, 2022, interest on the Tax-Exempt Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Tax-Exempt Bonds. Complete copies of the proposed forms of opinions of Bond Counsel are set forth in Appendix D hereto.

To the extent the issue price of any maturity of the Tax-Exempt Bonds is less than the amount to be paid at maturity of such Tax-Exempt Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Tax-Exempt Bonds), the difference constitutes “original issue discount,” the accrual of which, to the extent properly allocable to each beneficial owner thereof, is treated as interest on the Tax-Exempt Bonds which is excluded from gross income for federal income tax purposes and exempt from State personal income taxes. For this purpose, the issue price of a particular maturity of the Tax-Exempt Bonds is the first price at which a substantial amount of such maturity of the Tax-Exempt Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Tax-Exempt Bonds accrues daily over the term to maturity of such Tax-Exempt Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Tax-Exempt Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Tax-Exempt Bonds. Beneficial owners of the Tax-Exempt Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Tax-Exempt Bonds with original issue discount, including the treatment of beneficial owners who do not purchase such Tax-Exempt Bonds in the original offering to the public at the first price at which a substantial amount of such Tax-Exempt Bonds is sold to the public.

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

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

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

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

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

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

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

Taxable Bonds

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

disposition of, or the amount, accrual, or receipt of interest on, the Taxable Bonds. The proposed forms of opinions of Bond Counsel are contained in Appendix D hereto.

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

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

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

U.S. Holders

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

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

Sale or Other Taxable Disposition of the Taxable Bonds. Unless a nonrecognition provision of the Code applies, the sale, exchange, redemption, retirement (including pursuant to an offer by the District) or other disposition of a Taxable Bond will be a taxable event for U.S. federal income tax purposes. In such event, in general, a U.S.

Holder of a Taxable Bond will recognize gain or loss equal to the difference between (i) the amount of cash plus the fair market value of property received (except to the extent attributable to accrued but unpaid interest on the Taxable Bond, which will be taxed in the manner described above) and (ii) the U.S. Holder's adjusted U.S. federal income tax basis in the Taxable Bond (generally, the purchase price paid by the U.S. Holder for the Taxable Bond, decreased by any amortized premium). Any such gain or loss generally will be capital gain or loss. In the case of a non-corporate U.S. Holder of the Taxable Bonds, the maximum marginal U.S. federal income tax rate applicable to any such gain will be lower than the maximum marginal U.S. federal income tax rate applicable to ordinary income if such U.S. holder's holding period for the Taxable Bonds exceeds one year. The deductibility of capital losses is subject to limitations.

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

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

Non-U.S. Holders

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

Disposition of the Taxable Bonds. Subject to the discussions below under the headings "Information Reporting and Backup Withholding" and "Foreign Account Tax Compliance Act ("FATCA") – U.S. Holders and Non-U.S. Holders," any gain realized by a Non-U.S. Holder upon the sale, exchange, redemption, retirement (including pursuant to an offer by the District or a deemed retirement due to defeasance of the Taxable Bond) or other disposition of a Taxable Bond generally will not be subject to U.S. federal income tax, unless (i) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business within the United States; or (ii) in the case of any gain realized by an individual Non-U.S. Holder, such holder is present in the United States for 183 days or more in the taxable year of such sale, exchange, redemption, retirement (including pursuant to an offer by the District) or other disposition and certain other conditions are met.

Information Reporting and Backup Withholding. Subject to the discussion below under the heading "Foreign Account Tax Compliance Act ("FATCA") – U.S. Holders and Non-U.S. Holders," under current U.S. Treasury Regulations, payments of principal and interest on any Taxable Bonds to a holder that is not a United States

person will not be subject to any backup withholding tax requirements if the beneficial owner of the Taxable Bond or a financial institution holding the Taxable Bond on behalf of the beneficial owner in the ordinary course of its trade or business provides an appropriate certification to the payor and the payor does not have actual knowledge that the certification is false. If a beneficial owner provides the certification, the certification must give the name and address of such owner, state that such owner is not a United States person, or, in the case of an individual, that such owner is neither a citizen nor a resident of the United States, and the owner must sign the certificate under penalties of perjury. The current backup withholding tax rate is 24%.

Foreign Account Tax Compliance Act (“FATCA”) – U.S. Holders and Non-U.S. Holders

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

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

OTHER LEGAL MATTERS

Legal Opinion

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

Legality for Investment in the State of California

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

Continuing Disclosure

The District has covenanted for the benefit of the holders and Beneficial Owners of the Bonds to provide, or to cause to be provided, to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access system or such other electronic system designated by the Municipal Securities Rulemaking Board (the “**EMMA System**”) certain annual financial information and operating data relating to the District (the “**Annual Report**”) by not later than nine months following the end of the District’s fiscal year (currently ending June 30),

commencing with the report for the 2022-23 fiscal year (which is due no later than April 1, 2024) and notice of the occurrence of certain enumerated events (“**Notice Events**”) in a timely manner not in excess of ten business days after the occurrence of such a Notice Event. The specific nature of the information to be contained in the Annual Report and the notices of Notice Events is set forth in APPENDIX E – “FORM OF CONTINUING DISCLOSURE CERTIFICATE.” These covenants have been made in order to assist the Underwriters in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the “**Rule**”).

[During the five-year period preceding the date of this Official Statement, the District is not aware of any instance in which it has failed to comply in any material respect with its previous undertakings with regard to the Rule. The District has retained a dissemination agent to assist with complying with its continuing disclosure obligations under the Rule.]

No Litigation

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

[Pursuant to Assembly Bill 218 (“**AB 218**”), which became effective on January 1, 2020, certain changes have been made to the claim prerequisites, available damages and the applicable statute of limitations periods for claims of childhood sexual assault, including claims against public entities like the District. With respect to claims that otherwise would have been barred as of January 1, 2020, AB 218 revived such claims for a period of three years, which period expired on December 31, 2022. There are currently several AB 218 lawsuits pending against the District. The District has located insurance for the majority of these lawsuits and is continuing its efforts to locate insurance for the remaining lawsuits. The District has set aside reserves for each of those the currently uninsured lawsuits, the potential liability for which is not anticipated to materially affect the finances of the District. The District does not expect that any expenses or liabilities incurred in defending the AB 218 claims, including those resulting from a final court decision or settlement agreement, will have a materially adverse effect on the District’s ability to repay the Bonds.] The litigation is ongoing and the District cannot predict the outcome of any of the cases and may choose to settle one or more. The District cannot predict if or how any threatened litigation may affect its finances. The Bonds are payable from dedicated unlimited *ad valorem* property taxes that may not be lawfully used for any other purpose.

ESCROW VERIFICATION

The arithmetical accuracy of certain computations included in the schedules provided by the Refunding Underwriter (defined herein) relating to the computation of the projected payments of principal and interest on the government obligations, and the projected payments of principal, redemption premium, if any, and interest to redeem and defease the Refunded Bonds will be verified by Causey Demgen & Moore P.C., as Verification Agent. Such computations will be based solely on assumptions and information supplied by the District and the Refunding Underwriter. The Verification Agent will restrict its procedures to verifying the arithmetical accuracy of certain computations and will not make any effort to evaluate the assumptions and information on which the computations are based, and will express no opinion on the data used, the reasonableness of the assumptions or the achievability of the projected outcome.

MISCELLANEOUS

Ratings

Moody’s Investors Service has assigned its underlying rating of “[]” to the Bonds[, without regard to any policy of municipal bond insurance]. Rating agencies generally base their ratings on their own investigations, studies and assumptions. The rating reflects only the view of the rating agency furnishing the same, and any explanation of the significance of such rating should be obtained only from the rating agency providing the same. Such rating is not

a recommendation to buy, sell or hold the Bonds. There is no assurance that any rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by the rating agency providing the same, if, in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of a rating may have an adverse effect on the market price of the Bonds. Neither the Underwriters nor the District has undertaken any responsibility after the offering of the Bonds to assure the maintenance of the rating or to oppose any such revision or withdrawal.

[In addition, S&P has assigned its rating of “[]” to the Insured Bonds, with a stable outlook, with the understanding that, upon delivery of the Insured Bonds, the Policy will be delivered by []. See “BOND INSURANCE.” Such rating is expected to be assigned solely as a result of the issuance of the Policy and will reflect only the rating agency’s view of the claims-paying ability and financial strength of []. Neither the District nor the Underwriters have made any independent investigation of the claims-paying ability of [] and no representation is made that any insured rating of the Insured Bonds based upon the purchase of the Policy will remain higher than the rating agency’s underlying rating of the Bonds described above, which did not take bond insurance into account. The existence of the Policy will not, of itself, negatively affect such underlying ratings. Thus, when making an investment decision, potential investors should carefully consider the ability of the District to pay principal and interest on the Insured Bonds and the claims paying ability of [], particularly over the life of the investment. Without regard to any bond insurance, the Bonds are payable from the proceeds of an *ad valorem* tax approved by the voters of the District pursuant to all applicable laws and constitutional requirements, and required to be levied by the County on property within the District in an amount sufficient for the timely payment of principal of and interest on the Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS.” However, any downward revision or withdrawal of any rating of [] may have an adverse effect on the market price or marketability of the Insured Bonds.]

Professionals Involved in the Offering

Orrick, Herrington & Sutcliffe LLP is acting as Bond Counsel and Disclosure Counsel with respect to the Bonds, and will receive compensation from the District contingent upon the sale and delivery of the Bonds. Isom Advisors, a Division of Urban Futures, Inc. is acting as the District’s Municipal Advisor with respect to the Bonds. Payment of the fees and expenses of the Municipal Advisor is also contingent upon the sale and delivery of the Bonds.

Underwriting

Series 2023 Bonds. The Series 2023 Bonds are being purchased by Siebert Williams Shank & Co., LLC, as representative (the “**Representative**”) on behalf of itself and Stifel, Nicolaus & Company, Incorporated (“**Stifel**” and, together with the Representative, the “**Series 2023 Underwriters**”), pursuant to the terms of a bond purchase agreement, dated _____, 2023 (the “**Series 2023 Purchase Contract**”) by and among the District, the County and the Representative. The Underwriters have agreed to purchase the Series 2023 Bonds at a price of \$ _____ (which represents the aggregate principal amount of the Series 2023 Bonds, plus \$ _____ [net] original issue premium and less \$ _____ Underwriters’ discount). Pursuant to the Series 2023 Purchase Contract, the Series 2023 Underwriters will purchase all of the Series 2023 Bonds if any are purchased, the obligation of the Series 2023 Underwriters to purchase the Series 2023 Bonds being subject to certain terms and conditions to be satisfied by the District.

Refunding Bonds. The Refunding Bonds are being purchased by Siebert Williams Shank & Co., LLC (the “**Refunding Underwriter**” and, together with the Series 2023 Underwriters, the “**Underwriters**”), pursuant to the terms of a bond purchase agreement, dated _____, 2023 (the “**Refunding Purchase Contract**”) by and between the District and the Refunding Underwriter. The Refunding Underwriter has agreed to purchase the Refunding Bonds at a price of \$ _____ (which represents the aggregate principal amount of the Refunding Bonds, [plus/less] \$ _____ [net] original issue [premium/discount] and less \$ _____ Underwriter’s discount). Pursuant to the Refunding Purchase Contract, the Refunding Underwriter will purchase all of the Refunding Bonds if any are purchased, the obligation of the Refunding Underwriter to purchase the Refunding Bonds being subject to certain terms and conditions to be satisfied by the District.

The Underwriters may offer and sell the Bonds to certain dealers and others at prices lower than the public offering prices shown on the inside front cover page of this Official Statement. The offering prices may be changed from time to time by the Underwriters.

In addition to its role as Representative and Refunding Underwriter, Siebert Williams Shank & Co., LLC is also serving as Dealer Manager for the Invitation to Tender. The Target Bonds are being offered solely by means of the Invitation to Tender, as described herein. The Dealer Manager has entered into an exclusive Dealer Manager Agreement with the District under which the Dealer Manager will be compensated in an amount equal to a percentage of the aggregate principal amount of Target Bonds tendered and accepted for cash purchase [or for exchange].

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ADDITIONAL INFORMATION

The purpose of this Official Statement is to supply information to purchasers of the Bonds. Quotations from and summaries and explanations of the Bonds and of the statutes and documents contained herein do not purport to be complete, and reference is made to such documents and statutes for full and complete statements of their provisions.

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

The District has duly authorized the delivery of this Official Statement.

OAKLAND UNIFIED SCHOOL DISTRICT

By: _____
Chief Business Officer

APPENDIX A

THE ECONOMY OF THE DISTRICT

The following economic data is presented for information purposes only. The Bonds are not a debt or obligation of the City of Oakland or the County of Alameda.

General

Information regarding the City of Oakland (the “**City**”) is provided in this APPENDIX A because economic data specific to the exact boundaries of the Oakland Unified School District (the “**District**”) is not available. Although the District encompasses slightly more land than the City, they are virtually coterminous and, therefore, the data provided herein is representative of the economy of the District. Data from the County of Alameda (the “**County**”) is provided where data for the City are not available.

As of January 1, 2023, the City has a population of approximately 419,556, and the County has a population of approximately 1,636,194. The City is located in the County and comprises approximately one-quarter of the County’s population. The City is located on the eastern shore of the San Francisco Bay (the “**Bay**”), approximately seven miles from San Francisco via the San Francisco-Oakland Bay Bridge. The City, approximately 53.8 square miles, is the largest and most established of the “East Bay” cities. Its geography ranges from industrialized areas in the west which border the Bay to suburban foothills in the east. The City is the hub of an extensive transportation network, which includes several interstate freeways, the western terminus of major railroad and trucking operations, and one of the largest container-ship ports in the United States. The City is also served by an international airport and the Bay Area Rapid Transit system (“**BART**”), which connects the City by commuter rail to destinations in the County as well as San Francisco, Contra Costa, San Mateo and Santa Clara counties. Formerly the industrial heart of the San Francisco Bay Area (the “**Bay Area**”), the City has developed into a diverse financial, commercial and governmental center. The City is the seat of government for the County and is the eighth most populous city in the State of California (the “**State**”).

The City has a diverse mix of traditional and new economy companies. Leading industries include business services, health care services, transportation, food processing, light manufacturing, government, arts, culture and entertainment. Prominent employers or businesses operating in the City include Pandora Radio, Kaiser Permanente, Dreyer’s Grand Ice Cream, Southwest Airlines, FedEx, Clorox Company, AT&T and U.S. Postal Service.

Culturally, the City is home to a regionally and nationally recognized symphony, many up-and-coming artistic and cultural institutions, an award-winning zoo, the Paramount Theater and the Fox Theater, a burgeoning restaurant scene, the recently remodeled Oakland Museum of California, and a vibrant nightlife. The City is also currently home to a major professional sports team, the Oakland Athletics, that play at the Oakland Coliseum stadium within the City. At other times these venues are used for concerts, other sporting events and other purposes. The Oakland Athletics’ lease at the Oakland Coliseum expires in December 2024 and the sports team is expected to fully relocate to Las Vegas over the next few years.

The City boasts one of the highest percentages of parks and open space per capita in the nation. The City counts lush green hills, forests, creeks, an estuary and two lakes among its natural amenities, and the extensive East Bay Regional Park District is easily accessible from the City.

Population

The following table sets forth the population of the City, the County and the State for the last 10 years. The City's population increased by approximately 1.0%, over this 10-year period.

City of Oakland, County of Alameda and State of California Population 2014 - 2023

Calendar Year	City of Oakland	County of Alameda	State of California
2014	414,065	1,590,729	38,556,731
2015	419,490	1,613,319	38,865,532
2016	424,717	1,631,230	39,103,587
2017	427,493	1,644,303	39,352,398
2018	428,750	1,651,760	39,519,535
2019	429,932	1,659,608	39,605,361
2020	433,144	1,682,353	39,538,223
2021	430,901	1,663,371	39,286,510
2022	421,806	1,644,248	39,078,674
2023	419,556	1,636,194	38,940,231

Source: California Department of Finance, E-4 Population Estimates for Cities, Counties, and the State, 2013-2023, with 2023 Census Benchmark for 2013-2023.

Employment

The following table sets forth industries in the County of Alameda in terms of employment in each respective industry, as estimated by the State of California Employment Development Department as follows:

County of Alameda Employment by Industry Group Annual Averages 2018 – 2022⁽¹⁾

Industry	2018	2019	2020	2021	2022
Farm	600	700	700	1,000	800
Mining, Logging & Construction	49,000	49,600	46,700	48,700	48,400
Manufacturing	84,700	85,000	83,700	91,800	97,900
Trade, Transportation & Utilities	139,700	138,800	129,400	134,000	137,800
Information	20,000	20,500	19,900	18,800	19,000
Financial Activities	28,000	28,400	27,000	27,100	27,400
Professional & Business Services	134,000	136,600	128,900	134,400	139,100
Educational & Health Services	123,600	126,000	121,800	125,100	129,900
Leisure & Hospitality	76,400	78,000	53,000	57,900	68,100
Other Services	27,500	27,500	22,500	23,800	26,700
Government	123,900	124,100	118,400	114,500	113,000

⁽¹⁾ Employment is reported by place of work; it does not include persons involved in labor-management disputes. Figures are rounded to the nearest hundred. Columns may not add to totals due to rounding.

Source: California Employment Development Department.

Industry and Employment

The following table sets forth estimates of the labor force, civilian employment, unemployment and unemployment rates for City residents, County residents and State residents from calendar years 2014 through 2022. The California Employment Development Department reported unemployment rates for 2022 at 4.2% for the State, 3.3% for the County and 3.9% for the City (not seasonally adjusted).

City of Oakland, County of Alameda and State of California Civilian Labor Force, Employment and Unemployment Annual Average 2014 – 2022

	Labor Force	Civilian Employment	Unemployment	Unemployment Rate (%)
City of Oakland				
2014	207,000	191,900	15,100	7.3%
2015	208,900	196,500	12,300	5.9
2016	210,000	199,800	10,300	4.9
2017	212,100	203,200	8,900	4.2
2018	214,300	206,800	7,500	3.5
2019	216,000	208,700	7,300	3.4
2020	210,700	187,900	22,800	10.8
2021	207,400	192,100	15,300	7.4
2022	209,000	200,900	8,100	3.9
County of Alameda				
2014	806,300	758,800	47,500	5.9%
2015	819,000	779,900	39,100	4.8
2016	831,800	796,000	35,800	4.3
2017	838,200	807,100	31,100	3.7
2018	841,600	815,800	25,700	3.1
2019	843,000	815,900	25,200	3.0
2020	819,700	746,500	73,200	8.9
2021	813,000	763,500	49,500	6.1
2022	825,600	798,400	27,200	3.3
State of California				
2014	18,676,700	17,264,500	1,412,200	7.6%
2015	18,824,100	17,647,400	1,176,700	6.3
2016	19,012,000	17,965,400	1,046,600	5.5
2017	19,185,400	18,258,100	927,300	4.8
2018	19,289,500	18,469,900	819,600	4.2
2019	19,413,200	18,617,900	795,300	4.1
2020	18,971,600	17,047,600	1,924,000	10.1
2021	18,973,400	17,586,300	1,387,100	7.3
2022	19,252,000	18,440,900	811,100	4.2

Source: State of California Employment Development Department – Unemployment Rates (Labor Force).

Major Employers

The following tables set forth the top ten major employers in the City and the principal employers in the County.

City of Oakland Major Employers

Employer	Number of Employees
Kaiser Permanente Medical Group, Kaiser Foundation Hospitals and Health Plan	11,500
County of Alameda	8,000
Oakland Unified School District	5,000
City of Oakland	4,000
State of California	3,500
San Francisco BART District	3,500
United Parcel Service	2,500
Alameda County Medical Center	2,500
Southwest Airlines	2,000
Children's Hospital & Research Center	2,000

Source: City of Oakland Annual Comprehensive Financial Report for the year ended June 30, 2022.

County of Alameda Principal Employers

Employer	Number of Employees
Kaiser Permanente Medical Group Inc.	34,666
Tesla	13,000
Safeway Inc.	9,731
County of Alameda	9,424
Sutter Health	9,377
John Muir Health	6,300
PG&E Corp.	5,100
Workday	5,098
Chevron Corp.	4,700
Wells Fargo Bank	4,354

Source: County of Alameda Annual Comprehensive Financial Report for the year ended June 30, 2021. County of Alameda Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022 is not available.

Construction Activity

The following table sets forth a summary of housing unit building permits in the City and the County.

**City of Oakland and the County of Alameda
Housing Unit Building Permits
2018 – 2022**

	2018	2019	2020	2021	2022
City of Oakland					
Units in Single-Family Structures	117	313	124	386	113
Units in All Multi-Family Structures	3,619	1,626	886	772	1,435
Total Units	3,736	1,939	990	1,158	1,548
County of Alameda					
Units in Single-Family Structures	1,831	1,871	1,152	1,589	1,175
Units in All Multi-Family Structures	6,147	4,145	2,610	4,494	3,366
Total Units	7,978	6,016	3,762	6,083	4,541

Sources: Construction Industry Research Board (CIRB) and California Homebuilding Foundation (CHF) for 2018-22.

The following table sets forth a summary of non-residential valuation for the City and the County.

**City of Oakland and the County of Alameda
Non-Residential Building Permit Valuations
2018 – 2022⁽¹⁾**

	2018	2019	2020	2021	2022
City of Oakland	\$414,962,721	\$508,467,142	\$144,673,996	\$240,150,121	\$43,503,223
County of Alameda	1,727,902,192	1,794,925,381	998,193,989	1,316,988,359	1,416,315,612

⁽¹⁾ Includes non-residential valuation for hotels and motels, non-housekeeping shelter, recreational, churches, industrial, parking garages, stores, mercantile and warehouses, service stations, hospitals, offices, public work, schools education, retail, other non-residential buildings, structures other than buildings, non-residential alterations and residential garages.

Sources: CIRB and CHF.

Median Housing Price

The median price of a single-family home in the City increased from \$377,500 in 2013 to \$850,000 in 2022. The median price of a single-family home in the County increased from \$483,000 in 2013 to \$1,050,000 in 2022.

City of Oakland and County of Alameda Median Housing Prices 2013 – 2022⁽¹⁾

Year	City of Oakland	County of Alameda
2013	\$377,500	\$483,000
2014	430,000	561,000
2015	520,000	630,000
2016	565,000	676,250
2017	635,000	750,000
2018	700,000	826,000
2019	725,000	822,000
2020	796,500	860,000
2021	797,000	1,000,000
2022	850,000	1,050,000

⁽¹⁾ Most recent data available as of the date of this Official Statement.

Source: CoreLogic, provided by DQNews.

Income

Personal income in the San Francisco – Oakland – Hayward Metropolitan Statistical Area (which is larger than the District, and which contains the District) increased by 51.0% from 2012 to 2018. Per capita personal income in the area grew by 42.3% in that same time period. Personal income in the San Francisco – Oakland – Berkeley Metropolitan Statistical Area (which is larger than the District, and which contains the District) increased by 18.3% from 2019 to 2021. Per capita personal income in the area grew by 21.8% in that same time period. The following table summarizes personal income for the San Francisco – Oakland – Hayward Metropolitan Statistical Area, which encompasses the District, for the calendar years 2012 through 2018 and personal income for the San Francisco – Oakland – Berkeley Metropolitan Statistical Area, which encompasses the District, for the calendar years 2019 through 2021.

Personal Income and Per Capita Income⁽¹⁾ San Francisco – Oakland – Hayward Metropolitan Statistical Area for 2012 – 2018

Year	Personal Income (\$ in Thousands)	Annual Percent Change	Per Capita Income	Annual Percent Change
2012	\$313,789,675	8.9%	\$70,428	7.5%
2013	322,045,787	2.6	71,255	1.2
2014	350,086,443	8.7	76,355	7.2
2015	384,100,296	9.7	82,639	8.2
2016	408,941,255	6.5	87,228	5.6
2017	439,032,236	7.4	93,165	6.8
2018	473,747,078	7.9	100,236	7.6

⁽¹⁾ Most recent data available as of the date of this Official Statement.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Per Capita Personal Income by Metropolitan Area, 2012-2018.

**Personal Income and Per Capita Income⁽¹⁾
San Francisco – Oakland – Berkeley Metropolitan Statistical Area for 2019 – 2021**

Year	Personal Income (\$ in Thousands)	Annual Percent Change	Per Capita Income	Annual Percent Change
2019	\$483,631,903	2.1%	\$101,569	1.3%
2020	522,980,548	8.1	110,342	8.6
2021	571,947,556	9.4	123,711	12.1

⁽¹⁾ Most recent data available as of the date of this Official Statement.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Per Capita Personal Income by Metropolitan Area, 2019-2021.

Retail Sales

The following tables set forth a history of taxable sales for the City and County for calendar years 2014 through 2022.

**City of Oakland and County of Alameda
Taxable Sales 2014 – 2022⁽¹⁾
(\$ in Thousands)**

Taxable Sales	Retail and Food Services		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
City of Oakland				
2014	7,797	\$3,041,086	10,742	\$4,357,407
2015	8,080	3,159,286	12,264	4,455,627
2016	8,054	3,135,414	12,391	4,459,606
2017	8,029	3,313,744	12,399	4,762,251
2018	8,368	3,436,505	13,500	4,939,330
2019	8,669	3,434,995	14,256	4,957,551
2020	8,557	2,635,586	14,260	3,850,497
2021	8,184	3,201,805	13,673	4,604,927
2022	8,220	3,559,230	13,873	5,200,657
County of Alameda				
2014	27,152	\$17,820,857	40,746	\$28,377,714
2015	27,339	18,702,806	44,548	29,770,157
2016	27,517	19,386,688	45,165	30,958,480
2017	27,431	20,786,502	45,232	32,702,082
2018	27,816	22,857,349	47,402	35,073,302
2019	28,375	21,921,742	49,197	35,116,163
2020	28,831	19,931,258	50,461	32,176,001
2021	26,964	22,602,772	47,565	37,935,594
2022	27,010	23,910,667	48,059	44,323,669

⁽¹⁾ Most recent data available as of the date of this Official Statement.

Source: California State Board of Equalization, Taxable Sales in California for 2014 through 2022.

APPENDIX B

INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET

The information in this appendix concerning the operations of the Oakland Unified School District (the "District"), the District's finances, and State of California (the "State") funding of education, is provided as supplementary information only, and it should not be inferred from the inclusion of this information in this Official Statement that the principal of or interest on the Bonds is payable from the general fund of the District or from State revenues. Each series of the Bonds is payable from the proceeds of an unlimited ad valorem tax approved by the voters of the District pursuant to all applicable laws and State Constitutional requirements, and required to be levied by the County of Alameda (the "County") on property within the District in an amount sufficient for the timely payment of principal of and interest on each series of the Bonds. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" in the front portion of this Official Statement.

THE DISTRICT

General

The Oakland Unified School District (the "District") is located in and is approximately coterminous with the City of Oakland, California (the "City"), located on the east side of the San Francisco Bay, approximately seven miles from San Francisco. The District's boundaries also include small portions of the neighboring Cities of Emeryville and Alameda. The District encompasses approximately 53.8 square miles, including a diverse economy of industry, services, health care, retail and other commercial activity. As of January 1, 2023, the City has a population of approximately 419,556, and the County has a population of approximately 1,636,194. The District was unified in 1952, combining then-existing high school and elementary school districts.

The District currently operates forty-seven elementary schools serving grades TK-5, three elementary/middle schools serving grades TK-8, eleven middle schools serving grades 6-8, three middle/high schools serving grades 6-12, seven comprehensive senior high schools serving grades 9-12, six alternative high school programs and one continuation school program. [Thirty-nine charter schools currently operate within the District's boundaries.] The District has projected enrollment for fiscal year 2023-24 of approximately 33,683 students in grades K-12, not including the students attending the charter schools. As of June 30, 2022, the District has budgeted to employ approximately 4,435.4 full-time equivalent ("FTE") employees, including 2,285.0 FTE certificated (teaching) employees, 1,636.5 FTE classified (non-teaching) employees and 513.9 management, supervisory and confidential employees. According to the adopted budget for fiscal year 2023-24, the District's budgeted fiscal year 2023-24 general fund expenditures are approximately \$802.8 million.

Board of Education

The District operates under the jurisdiction of the Alameda County Superintendent of Schools. The governing board of the District is the Board of Education (the "Board of Education"). The Board of Education consists of seven members who are elected by Trustee Area to staggered four-year terms and two student board members who participate on an advisory basis. The name, office and the month and year of the expiration of the term of the seven elected members of the Board of Education are described below.

Name	Office	District	Term Expires
Mike Hutchinson	President	District 4	January 2027
Benjamin "Sam" Davis	Vice President	District 1	January 2025
Jennifer Brouhard	Director	District 2	January 2027
VanCedric Williams	Director	District 3	January 2025
Vacant*	Director	District 5	-
Valarie Bachelor	Director	District 6	January 2025
Clifford Thompson	Director	District 7	January 2027

* The vacancy on the Board of Education of the District is expected to be filled following a special election for such seat to be held on November 7, 2023.

Superintendent and Key Personnel

The Superintendent of the District is appointed by the Board of Education and reports to the Board of Education. The Superintendent is responsible for management of the District's day-to-day operations and supervises the work of other key District administrators. Information concerning the Superintendent and certain other key administrative personnel is set forth below.

Dr. Kyla Johnson-Trammell, Superintendent. On May 10, 2017, the Board of Education announced that Dr. Johnson-Trammell was selected to serve as Superintendent of the District and she began serving in the role in July 2017. In August 2021, the Board of Education approved a contract extension for Dr. Johnson-Trammell to continue serving as Superintendent for another three years. Prior to being appointed Superintendent, Dr. Johnson-Trammell served as the District's Interim Deputy Superintendent, Academic and Social Emotional Learning from February 2017 to July 2017. Prior to her role as Interim Deputy Superintendent, Dr. Johnson-Trammell served the District in a variety of roles, including as Network Superintendent of Elementary Schools, Associate Superintendent of Leadership, Curriculum and Instruction, and Administrator on Special Assignment. Prior to those roles, she served the District as Principal of an elementary school, Assistant Principal of a middle school, and as an elementary school teacher. Dr. Johnson-Trammell has a bachelor's degree in Communications from the University of Pennsylvania as well as a Master's degree in Educational Leadership and a Doctor of Education degree in Educational Leadership from the University of California, Berkeley.

Dr. Dexter Moore, Jr., Acting Chief of Staff. [Bio to come]

Lisa Grant-Dawson, Chief Business Officer. Ms. Grant-Dawson joined the District as Chief Business Officer in April 2020. Prior to her role as Chief Business Officer, Ms. Grant-Dawson served as Chief Business Official for Jack and Jill of America, Inc. Prior to that role, she provided leadership in business services roles at other California school districts, including as Chief Business Official for Stockton Unified School District, Assistant Superintendent, Business Services for Hayward Unified School District, and Chief Business Officer for Vallejo City Unified School District. Prior to those roles, she served in senior accountancy roles with ALZA Corporation and Fresh Express LLC. Ms. Grant-Dawson has a bachelor's degree in Accounting and Finance from Tuskegee University as well as a bachelor's degree in Business Management and a Master of Business Administration degree with a focus on Accounting and Business/Management from the University of Phoenix-Sacramento Valley Campus.

Jenine Lindsey, Interim General Counsel. [Bio to come]

Fiscal Oversight

In connection with the emergency financial assistance provided to the District by the State in fiscal year 2002-03, the State Superintendent of Public Instruction (the “**State Superintendent**”) appointed a trustee for the District (the “**Fiscal Oversight Trustee**”). The Fiscal Oversight Trustee serves at the pleasure of, and reports directly to, the County Superintendent of Schools, until (i) the emergency loan (the “**Emergency Apportionment Loan**”) is repaid, (ii) the District has adequate fiscal systems and controls in place and (iii) the County Superintendent of Schools has determined that the District’s future compliance with the Recovery Plan (as defined below) is probable. During their tenure, the Fiscal Oversight Trustee is empowered to stay or rescind any action of the Board of Education that, in the judgment of the Fiscal Oversight Trustee, may affect the District’s financial condition.

Assembly Bill 1840 (which became effective on September 17, 2018) (“**AB 1840**”) required the District to take certain actions by March 1, 2019, for fiscal year 2018-19, regarding its financial plans and construction plans, in collaboration with and with the concurrence of the Alameda County Superintendent of Schools and the Fiscal Crisis and Management Assistance Team. AB 1840 provides that, in fiscal years 2019-20 through 2021–22, the Budget Act of the State for those fiscal years shall include certain appropriations for the District, with the disbursement of moneys from those appropriations contingent upon the completion of activities specified in the prior year Budget Act to improve the District’s fiscal solvency. In connection with AB 1840, Chris Learned was appointed the Fiscal Oversight Trustee for the District on July 1, 2017, by the State Superintendent. Subsequently, Luz Cázares was appointed as the Fiscal Oversight Trustee for the District effective September 1, 2021. Prior to her appointment as Fiscal Oversight Trustee, Ms. Cázares had nearly 20 years of experience serving K-12 school districts. Ms. Cázares has previously served as the District’s Interim Chief Financial Officer during the 2019-20 school year and assisted with ACOE’s Intensive Support and Technical Assistance initiative during the 2020-21 school year. Ms. Cázares has a Bachelor’s degree in public policy studies and a Master in Public Policy degree.

[Ms. Cázares has informed the District that she will not rescind the Board of Education’s authorization of the Bonds because the issuance of the Bonds will not impact the District’s financial condition.]

Strategic Plan; School Closures

In November 2014, the District released a five-year strategic plan (the “**Strategic Plan**”) for 2015-2020 with five goals: (i) providing every student with access to a high-quality school; (ii) ensuring each student is prepared for college, career and community success; (iii) staffing every school with talented individuals committed to working in service of children; (iv) creating a school district that holds itself and its partners accountable for superior outcomes; and (v) guaranteeing rigorous instruction in every classroom. The Strategic Plan also identified three major priorities: (1) creating effective talent programs; (2) creating an accountable school district; and (3) creating quality community schools. The District has also adopted a Local Control and Accountability Plan (“**LCAP**”) that identifies specific goals and actions in line with the Strategic Plan. In addition, in 2017 the Superintendent outlined three Districtwide priorities: Fiscal Vitality, Quality Community Schools and Organizational Wellness.

The District has also developed the Board of Education-approved Community of Schools Citywide Plan (the “**Citywide Plan**”) that maps out a sustainable District footprint based on several data points related to enrollment projections, city demographic projections, and geographic data relating to where students live and attend schools. The data show that the District’s projected student population would be served more efficiently with up to 24 fewer buildings or campuses than are currently being utilized. Simultaneously, the District is evaluating revenue generation opportunities with its available surplus property. Accordingly, the Board of Education has appointed a 7-11 Committee which is involved in making recommendations to the Board of Education about whether vacant properties should be considered surplus properties and to provide recommendations about the potential uses for any surplus property, including the use of surplus property to generate revenue. In April 2019, the Board of Education appointed 11 members to the 7-11 Committee and directed the 7-11 Committee to start meeting in August 2019. The 7-11 Committee continues to consider vacated properties, which may result in recommendations that such properties be considered surplus as well as potential uses of such properties.

[The Citywide Plan was originally expected to be implemented over five years, with cohorts of new consolidations, mergers, closures and redesigned schools identified annually in each selection year, a planning phase

and subsequent implementation. However, COVID-19 disruptions led the Board of Education to approve a new timeline for Cohort III, delayed by two years and spanning fiscal years 2021-22 through 2023-24.

Cohort I merged two elementary schools and two middle schools, closed one middle school, and expanded a successful high school program, resulting in a net of three fewer schools. Cohort II merged two elementary schools and two middle schools, redesigned an elementary school, and expanded a successful TK-8 program, resulting in a net of two fewer schools. Additionally, the District merged a charter school and District elementary school, which opened for the 2021-22 school year as a unified school. The District began the selection year for Cohort III during fiscal year 2021-22, but ceased considering school consolidations or moving forward with the Citywide Plan as of October 2021.] [Include additional information on challenges to right-size District schools to enrollment.]

DISTRICT FINANCIAL MATTERS

State Funding of Education; State Budget Process

General. As is true for all school districts in California, the District’s operating income consists primarily of two components: a State portion funded from the State’s general fund in accordance with the Local Control Funding Formula (see “– Allocation of State Funding to School Districts; Local Control Funding Formula” below) and a local portion derived from the District’s share of the 1% local *ad valorem* tax authorized by the State Constitution (see “– Local Sources of Education Funding” below). In addition, school districts may be eligible for other special categorical funding from State and federal government programs. The District projects receipt of approximately 57.6% of its general fund revenues from State funds (not including the local portion derived from the District’s share of the local *ad valorem* tax), projected at approximately \$465.8 million in fiscal year 2023-24. Such amount includes both the State funding provided under the LCFF (defined herein) as well as other State revenues (see “– Allocation of State Funding to School District; Local Control Funding Formula” and “– Other District Revenues – Other State Revenues” below). As a result, decreases or deferrals in State revenues, or in State legislative appropriations made to fund education, may affect the District’s revenues and operations.

Under Proposition 98, a constitutional and statutory amendment adopted by the State’s voters in 1988 and amended by Proposition 111 in 1990 (now found at Article XVI, Sections 8 and 8.5 of the State Constitution), a minimum level of funding is guaranteed to school districts, community college districts and other State agencies that provide direct elementary and secondary instructional programs. Recent years have seen frequent disruptions in State revenues from personal income taxes, sales and use taxes, and corporate taxes, making it increasingly difficult for the State to meet its Proposition 98 funding mandate, which normally commands about 45% of all State general fund revenues, while providing for other fixed State costs and priority programs and services. Because education funding constitutes such a large part of the State’s general fund expenditures, it is generally at the center of annual budget negotiations and adjustments.

In connection with the State Budget Act for fiscal year 2013-14, the State and local educational agencies (“LEA”) therein implemented a new funding formula for school finance system called the Local Control Funding Formula (the “**Local Control Funding Formula**” or “**LCFF**”). Funding from the LCFF replaced the revenue limit funding system and most categorical programs. See “– Allocation of State Funding to School Districts; Local Control Funding Formula” below for more information.

State Budget Process. According to the State Constitution, the Governor must propose a budget to the State Legislature no later than January 10 of each year, and a final budget must be adopted no later than June 15. Historically, the budget required a two-thirds vote of each house of the State Legislature for passage. However, on November 2, 2010, the State’s voters approved Proposition 25, which amended the State Constitution to lower the vote requirement necessary for each house of the State Legislature to pass a budget bill and send it to the Governor. Specifically, the vote requirement was lowered from two-thirds to a simple majority (50% plus one) of each house of the State Legislature. The lower vote requirement also would apply to trailer bills that appropriate funds and are identified by the State Legislature “as related to the budget in the budget bill.” The budget becomes law upon the signature of the Governor, who may veto specific items of expenditure. Under Proposition 25, a two-thirds vote of the State Legislature is still required to override any veto by the Governor. School district budgets must generally be adopted by July 1, and revised by the school board within 45 days after the Governor signs the budget act to reflect any changes in budgeted revenues

and expenditures made necessary by the adopted State budget. The Governor signed the fiscal year 2023-24 State budget on June 27, 2023.

When the State budget is not adopted on time, basic appropriations and the categorical funding portion of each school district's State funding are affected differently. Under the rule of *White v. Davis* (also referred to as *Jarvis v. Connell*), a State Court of Appeal decision reached in 2002, there is no constitutional mandate for appropriations to school districts without an adopted budget or emergency appropriation, and funds for State programs cannot be disbursed by the State Controller until that time, unless the expenditure is (i) authorized by a continuing appropriation found in statute, (ii) mandated by the State Constitution (such as appropriations for salaries of elected State officers), or (iii) mandated by federal law (such as payments to State workers at no more than minimum wage). The State Controller has consistently stated that basic State funding for schools is continuously appropriated by statute, but that special and categorical funds may not be appropriated without an adopted budget. Should the State Legislature fail to pass a budget or emergency appropriation before the start of any fiscal year, the District might experience delays in receiving certain expected revenues. The District is authorized to borrow temporary funds to cover its annual cash flow deficits, and as a result of the *White v. Davis* decision, the District might find it necessary to increase the size or frequency of its cash flow borrowings, or to borrow earlier in the fiscal year. The District does not expect the *White v. Davis* decision to have any long-term effect on its operating budgets.

Aggregate State Education Funding. The Proposition 98 guaranteed amount for education is based on prior-year funding, as adjusted through various formulas and tests that take into account State proceeds of taxes, local property tax proceeds, school enrollment, per-capita personal income, and other factors. The State's share of the guaranteed amount is based on State general fund tax proceeds and is not based on the general fund in total or on the State budget. The local share of the guaranteed amount is funded from local property taxes. The total guaranteed amount varies from year to year and throughout the stages of any given fiscal year's budget, from the Governor's initial budget proposal to actual expenditures to post-year-end revisions, as better information regarding the various factors becomes available. Over the long run, the guaranteed amount will increase as enrollment and per capita personal income grow.

If, at year-end, the guaranteed amount is calculated to be higher than the amount actually appropriated in that year, the difference becomes an additional education funding obligation, referred to as "settle-up." If the amount appropriated is higher than the guaranteed amount in any year, that higher funding level permanently increases the base guaranteed amount in future years. The Proposition 98 guaranteed amount is reduced in years when general fund revenue growth lags personal income growth, and may be suspended for one year at a time by enactment of an urgency statute. In either case, in subsequent years when State general fund revenues grow faster than personal income (or sooner, as the Legislature may determine), the funding level must be restored to the guaranteed amount, the obligation to do so being referred to as "maintenance factor."

Although the State Constitution requires the State to approve a balanced State Budget Act each fiscal year, the State's response to fiscal difficulties in some years has had a significant impact on the Proposition 98 minimum guarantee and the treatment of settle-up payments with respect to years in which the Proposition 98 minimum guarantee was suspended. The State has sought to avoid or delay paying settle-up amounts when funding has lagged the guaranteed amount. In response, teachers' unions, the State Superintendent and others sued the State or Governor in 1995, 2005, 2009 and 2011 to force them to fund schools in the full amount required. The settlement of the 1995 and 2005 lawsuits has so far resulted in over \$4 billion in accrued State settle-up obligations. However, legislation enacted to pay down the obligations through additional education funding over time, including the Quality Education Investment Act of 2006, have also become part of annual budget negotiations, resulting in repeated adjustments and deferrals of the settle-up amounts.

The State has also sought to preserve general fund cash while avoiding increases in the base guaranteed amount through various mechanisms: by treating any excess appropriations as advances against subsequent years' Proposition 98 minimum funding levels rather than current year increases; by temporarily deferring apportionments of Proposition 98 funds from one fiscal year to the next; by permanently deferring apportionments of Proposition 98 funds from one fiscal year to the next; by suspending Proposition 98, as the State did in fiscal year 2004-05, fiscal year 2010-11, fiscal year 2011-12 and fiscal year 2012-13; and by proposing to amend the State Constitution's definition of the guaranteed amount and settle-up requirement under certain circumstances.

The District cannot predict how State income or State education funding will vary over the term to maturity of the Bonds, and the District takes no responsibility for informing owners of the Bonds as to actions the State Legislature or Governor may take affecting the current year's budget after its adoption. Information about the State budget and State spending for education is regularly available at various State-maintained websites. Text of proposed and adopted budgets may be found at the website of the Department of Finance, www.dof.ca.gov, under the heading "California Budget." An impartial analysis of the State budget is posted by the Office of the Legislative Analyst at www.lao.ca.gov. In addition, various State of California official statements, many of which contain a summary of the current and past State budgets and the impact of those budgets on school districts in the State, may be found at the website of the State Treasurer, www.treasurer.ca.gov. The information referred to is prepared by the respective State agency maintaining each website and not by the District, and the District can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted there, and such information is not incorporated herein by these references.

State Rainy Day Fund; SB 858. In connection with the 2014-15 State Budget, the Governor proposed certain constitutional amendments ("Proposition 2") to the rainy day fund (the "State Rainy Day Fund") for the November 2014 Statewide election. Senate Bill 858 (2014) ("SB 858") amends the Education Code to, among other things, limit the amount of reserves that may be maintained by a school district subject to certain State budget matters. Upon the approval of Proposition 2, SB 858 became operational. Senate Bill 751 (2017) ("SB 751") altered the reserve requirements imposed by SB 858. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 2."

AB 1469. As part of the 2014-15 State Budget, the Governor signed Assembly Bill ("AB 1469") which implements a new funding strategy for the California State Teachers' Retirement System ("CalSTRS"), increasing the employer contribution rate in fiscal year 2014-15 from 8.25% to 8.88% of covered payroll. See "– Retirement Benefits – CalSTRS" below for more information about CalSTRS and AB 1469.

2023-24 State Budget. The Governor signed the fiscal year 2023-24 State budget on June 27, 2023, which was amended through a series of legislative bills (as amended, the "2023-24 State Budget"). The 2023-24 State Budget reflects a downturn in revenues and slower revenue growth than previous projections due to declining stock prices, high inflation, rising interest rates and layoffs in high-wage sectors. The 2023-24 State Budget projects to address the shortfall in revenues by paying down the State's debt and using one-time surplus funds on one-time commitments. The 2023-24 State Budget includes a package of solutions to bridge an approximately \$31.7 billion shortfall while avoiding deep and damaging program cuts. Specifically, the 2023-24 State Budget shifts approximately \$9.3 billion of spending commitments from the State's general fund to other funds and reduces or pulls back approximately \$8.1 billion in previously approved State general fund spending. In addition, the 2023-24 State Budget delays approximately \$7.9 billion in spending across multiple years, includes approximately \$6.1 billion in additional revenue, primarily from the Managed Care Organization tax as well as internal borrowing from special fund balances not projected for programmatic purposes, and builds in approximately \$340.0 million in trigger reductions that are projected to be restored in the proposed budget for fiscal year 2024-25, assuming sufficient funds at that time. The 2023-24 State Budget avoids new significant ongoing commitments and maintains fiscal discipline by setting aside a record \$37.8 billion in total budgetary reserves. The 2023-24 State Budget notes that a tax filing delay due to unprecedented storms in fiscal year 2022-23 delayed the projected receipt of \$42.0 billion in State tax receipt to October 2023, including \$28.4 billion from personal income tax and \$13.3 billion from corporation tax, representing nearly one-fourth of the fiscal year 2022-23 total projected personal income tax, and nearly one-third of the fiscal year 2022-23 corporation tax.

The 2023-24 State Budget estimates total resources available in fiscal year 2022-23 were approximately \$260.9 billion, including revenues and transfers of approximately \$205.1 billion and a prior year balance of approximately \$55.8 billion, and total expenditures in fiscal year 2022-23 of approximately \$234.6 billion. The 2023-24 State Budget projects total resources available for fiscal year 2023-24 of approximately \$235.0 billion, inclusive of revenues and transfers of approximately \$208.7 billion and a prior year balance of approximately \$26.4 billion. The 2023-24 State Budget projects total expenditures in fiscal year 2023-24 of approximately \$225.9 billion, inclusive of non-Proposition 98 expenditures of approximately \$147.5 billion and Proposition 98 expenditures of approximately \$78.4 billion. Citing revenue risks and uncertainties, the 2023-24 State Budget includes a historic level of reserves as an important resiliency tool, setting aside a total of \$37.8 billion in fiscal year 2023-24 and allocates reserves as follows: approximately \$22.3 billion in the State Rainy Day Fund for fiscal

emergencies, approximately \$10.8 billion in the Proposition 98 Rainy Day Fund (Public School System Stabilization Account) (the “PSSSA” or the “**Proposition 98 Rainy Day Fund**”), approximately \$900.0 million in the Safety Net Reserve, and approximately \$3.8 billion to the State’s Special Fund for Economic Uncertainties (the “SFEU”). In addition, the 2023-24 State Budget allocates approximately \$5.3 billion of the State general fund’s projected fund balance in fiscal year 2023-24 to the State’s Reserve for Liquidation of Encumbrances. The State Rainy Day Fund is at its constitutional maximum of 10% of State general fund revenues.

The 2023-24 State Budget includes total funding of \$129.2 billion for all K-12 education programs, including \$79.5 billion from the State’s general fund and \$49.7 billion from other funds. The 2023-24 State Budget reflects significant Proposition 98 funding that enables increased support for core programs such as the LCFF, special education, transitional kindergarten, nutrition, and preschool.

Certain budgeted programs and adjustments for K-12 education set forth in the 2023-24 State Budget include the following:

- Proposition 98 Minimum Guarantee. The 2023-24 State Budget reflects Proposition 98 funding levels of \$110.6 billion in fiscal year 2021-22, \$107.4 billion in fiscal year 2022-23, and \$108.3 billion in fiscal year 2023-24. Such funding represents approximately 38.5% of the State’s general fund revenues, plus local property tax revenues. To accommodate enrollment increases related to the expansion of transitional kindergarten, the 2023-24 State Budget increased the funding level from approximately 38.2% to approximately 38.5% to increase the percentage of State general fund revenues due to the minimum guarantee.
- Proposition 98 Rainy Day Fund. The 2023-24 State Budget includes payments required to be made to the Proposition 98 Rainy Day Fund in fiscal years 2021-22 through 2023-24 for a total account balance of \$10.8 billion at the end of fiscal year 2023-24. The balance of approximately \$9.9 billion in fiscal year 2022-23 triggers a cap on school district reserves beginning in fiscal year 2023-24. See “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 2.” See also “DISTRICT FINANCIAL MATTERS – State Funding of Education; State Budget Process – *State Rainy Day Fund; SB 858.*”
- Local Control Funding Formula. The 2023-24 State Budget includes a LCFF cost-of-living adjustment of 8.22%, which is the largest cost-of-living adjustment in the history of LCFF. The 2023-24 State Budget provides approximately \$556.3 million ongoing Proposition 98 general fund resources to reflect the cost-of-living adjustment for specified categorical programs. The cost-of-living adjustment, when combined with declining enrollment adjustments, increases the year-over-year discretionary funds available to local education agencies by approximately \$3.4 billion. The 2023-24 State Budget also reflects the utilization of approximately \$1.6 billion one-time Proposition 98 State general fund resources to support the overall costs of the LCFF in fiscal year 2023-24, and provides an increase of approximately \$80.0 million ongoing Proposition 98 State general fund resources to support county offices of education serving students in juvenile court and other alternative school settings.
- Accountability Improvements and Equity Multiplier. To support accountability and a continuous improvement system to ensure student group and school site equity gaps within a local education agency are identified and addressed through the Local Control and Accountability Plan, the 2023-24 State Budget provides approximately \$300.0 million ongoing Proposition 98 State general fund resources to establish an Equity Multiplier as an add-on to the LCFF to accelerate gains in closing opportunity and outcome gaps, and approximately \$2.0 million ongoing Proposition 98 general fund resources to support the critical work of the new Equity Leads within the statewide system of support.
- Literacy. The 2023-24 State Budget provides approximately \$250.0 million one-time Proposition 98 general fund resources to build upon the existing Literacy Coaches and Reading Specialists Grant Program, which funds high-poverty schools to train and hire literacy coaches and reading specialists for one-on-one and small group intervention for struggling readers.
- State Preschool Program. The 2023-24 State Budget includes the following set asides to fund any adjustments related to reimbursement for preschool providers: approximately \$343.1 million in

Proposition 98 general fund resources and \$20,000 in non-Proposition 98 general fund resources from fiscal year 2022-23; approximately \$369.3 million in Proposition 98 general fund resources and \$126.1 million in general fund resources from fiscal year 2023-24; and approximately \$445.7 million in Proposition 98 general fund resources and \$186.5 million in general fund resources from fiscal year 2024-25. Consistent with this approach, the 2023-24 State Budget suspends the annual cost-of-living adjustment applicable to the State Preschool Program in fiscal years 2023-24 and 2024-25.

The 2023-24 State Budget reallocates approximately \$4.4 million non-Proposition 98 general fund resources and approximately \$5.3 million Proposition 98 general fund resources from the 2022-23 State budget to continue to waive family fees from July 1, 2023 through September 30, 2023, and provides approximately \$112.0 million in available federal funds to provide temporary stipends for State Preschool Program employees.

- Transitional Kindergarten. The 2023-24 State Budget provides approximately \$357.0 million in ongoing Proposition 98 general fund resources for fiscal year 2022-23 to support the first year of expanded eligibility for transitional kindergarten to all children turning five-years-old between September 2 and February 2. The 2023-24 State Budget also provides approximately \$283.0 million in Proposition 98 general fund resources to provide one additional certificated or classified staff person in each transitional kindergarten classroom. Additionally, the 2023-24 State Budget provides approximately \$597.0 million in ongoing Proposition 98 general fund resources beginning in fiscal year 2023-24 to support the second year of expanded eligibility for transitional kindergarten to all children turning five-years-old between September 2 and April 2. The 2023-24 State Budget also provides approximately \$165.0 million in Proposition 98 general fund resources to support the second year of adding one additional certificated or classified staff person in each transitional kindergarten classroom.
- Arts, Music, and Instructional Materials Discretionary Block Grant. The 2023-24 State Budget decreases one-time Proposition 98 general fund support for the Arts, Music, and Instructional Materials Block Grant by approximately \$200.0 million, reducing total one-time program support from approximately \$3.5 billion to approximately \$3.3 billion. The Arts and Music in Schools: Funding Guarantee and Accountability Act (Proposition 28) will provide approximately \$938.0 million ongoing Proposition 98 general fund resources beginning in fiscal year 2023-24.
- Learning Recovery Emergency Block Grant. The 2023-24 State Budget delays approximately \$1.1 billion one-time Proposition 98 general fund resources for the Learning Recovery Emergency Block Grant to fiscal years 2025-26, 2026-27, and 2027-28.
- Zero-Emission School Buses. The 2023-24 State Budget delays approximately \$1.0 billion one-time Proposition 98 general fund resources to support greening school bus fleets through programs operated by the California Air Resources Board and the California Energy Commission to fiscal years 2024-25 and 2025-26.
- California Preschool, Transitional Kindergarten and Full-Day Kindergarten Facilities Grant Program (FDK Program). The 2022-23 State budget included \$100.0 million one-time general fund resources and reflected an additional \$550.0 million in fiscal year 2023-24 to support the FDK Program. The 2023-24 State Budget delays the planned \$550.0 million investment for this program to fiscal year 2024-25.
- School Facility Program. The 2023-24 State Budget provides approximately \$2.0 billion one-time general fund resources, which is \$100.0 million less than previously planned, to support the School Facility Program in fiscal year 2023-24.
- Nutrition. The 2023-24 State Budget provides an additional \$154.0 million in ongoing Proposition 98 general fund resources and an additional \$110.0 million one-time Proposition 98 general fund resources to fully fund the universal school meals program in fiscal years 2022-23 and 2023-24.

- Bipartisan Safer Communities Act, Stronger Connections Program. The 2023-24 State Budget provides approximately \$119.6 million in one-time federal funds to support local education activities related to improving school climate and safety through the Stronger Connections Program.
- Charter School Facility Grant Program. Consistent with the 2022-23 State budget, the 2023-24 State Budget provides a one-time investment of \$30.0 million Proposition 98 general fund resources to support eligible facilities costs.

The complete 2023-24 State Budget is available from the California Department of Finance website at www.dof.ca.gov or www.ebudget.ca.gov. The District can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted therein, and such information is not incorporated herein by such reference.

Future Budgets and Budgetary Actions. The District cannot predict what future actions will be taken by the State legislature and the Governor to address changing State revenues and expenditures, collection and receipt of tax revenues due to tax filing delay, funding of delayed investments, or the impact such actions will have on State revenues available in the current or future years for education. The 2023-24 State Budget will be affected by national and State economic conditions and other factors beyond the District’s ability to predict or control. Certain actions could result in a significant shortfall of revenue and cash and could impair the State’s ability to fund schools during fiscal year 2023-24 and in future fiscal years. Certain factors, like an economic recession, could result in State budget shortfalls in any fiscal year and could have a material adverse financial impact on the District. As the Bonds are payable from *ad valorem* property taxes, the 2023-24 State Budget is not expected to have a material impact on the payment of the Bonds.

Prohibitions on Diverting Local Revenues for State Purposes. Beginning in fiscal year 1992-93, the State satisfied a portion of its Proposition 98 obligations by shifting part of the property tax revenues otherwise belonging to cities, counties, special districts, and redevelopment agencies, to school and community college districts through a local Educational Revenue Augmentation Fund (“ERAF”) in each county. Local agencies, objecting to invasions of their local revenues by the State, sponsored a statewide ballot initiative intended to eliminate the practice. In response, the State Legislature proposed an amendment to the State Constitution, which the State’s voters approved as Proposition 1A at the November 2004 election. That measure was generally superseded by the passage of a new initiative constitutional amendment at the November 2010 election, known as “Proposition 22.”

The effect of Proposition 22 is to prohibit the State, even during a period of severe fiscal hardship, from delaying the distribution of tax revenues for transportation, redevelopment, or local government projects and services. It prevents the State from redirecting redevelopment agency property tax increment to any other local government, including school districts, or from temporarily shifting property taxes from cities, counties and special districts to schools, as in the ERAF program. This is intended to, among other things, stabilize local government revenue sources by restricting the State’s control over local property taxes. One effect of this amendment will be to deprive the State of fuel tax revenues to pay debt service on most State bonds for transportation projects, reducing the amount of State general fund resources available for other purposes, including education.

Prior to the passage of Proposition 22, the State invoked Proposition 1A to divert \$1.935 billion in local property tax revenues in 2009-10 from cities, counties, and special districts to the State to offset State general fund spending for education and other programs, and included another diversion in the adopted 2009-10 State budget of \$1.7 billion in local property tax revenues from local redevelopment agencies, which local redevelopment agencies have now been dissolved (see “– *Dissolution of Redevelopment Agencies*” below). Redevelopment agencies had sued the State over this latter diversion. However, the lawsuit was decided against the California Redevelopment Association on May 1, 2010. Because Proposition 22 reduces the State’s authority to use or shift certain revenue sources, fees and taxes for State general fund purposes, the State will have to take other actions to balance its budget in some years — such as reducing State spending or increasing State taxes, and school and community college districts that receive Proposition 98 or other funding from the State will be more directly dependent upon the State’s general fund.

Dissolution of Redevelopment Agencies. The adopted State budget for fiscal year 2011-12, as signed by the Governor on June 30, 2011, included as trailer bills Assembly Bill No. 26 (First Extraordinary Session) (“**AB1X**”

26”) and Assembly Bill No. 27 (First Extraordinary Session) (“**AB1X 27**”), which the Governor signed on June 29, 2011. AB1X 26 suspended most redevelopment agency activities and prohibited redevelopment agencies from incurring indebtedness, making loans or grants, or entering into contracts after June 29, 2011. AB1X 26 dissolved all redevelopment agencies in existence and designated “successor agencies” and “oversight boards” to satisfy “enforceable obligations” of the former redevelopment agencies and administer dissolution and wind down of the former redevelopment agencies. Certain provisions of AB1X 26 are described further below.

In July of 2011, various parties filed an action before the Supreme Court of the State of California (the “**Court**”) challenging the validity of AB1X 26 and AB1X 27 on various grounds (*California Redevelopment Association v. Matosantos*). On December 29, 2011, the Court rendered its decision in *Matosantos* upholding virtually all of AB1X 26 and invalidating AB1X 27. In its decision, the Court also modified various deadlines for the implementation of AB1X 26. The deadlines for implementation of AB1X 26 described below take into account the modifications made by the Court in *Matosantos*.

On February 1, 2012, and pursuant to *Matosantos*, AB1X 26 dissolved all redevelopment agencies in existence and designated “successor agencies” and “oversight boards” to satisfy “enforceable obligations” of the former redevelopment agencies and administer dissolution and wind down of the former redevelopment agencies. With limited exceptions, all assets, properties, contracts, leases, records, buildings and equipment, including cash and cash equivalents of a former redevelopment agency, will be transferred to the control of its successor agency and, unless otherwise required pursuant to the terms of an enforceable obligation, distributed to various related taxing agencies pursuant to AB1X 26.

AB1X 26 requires redevelopment agencies to continue to make scheduled payments on and perform obligations required under its “enforceable obligations.” For this purpose, AB1X 26 defines “enforceable obligations” to include “bonds, including the required debt service, reserve set-asides, and any other payments required under the indenture or similar documents governing the issuance of outstanding bonds of the former redevelopment agency” and “any legally binding and enforceable agreement or contract that is not otherwise void as violating the debt limit or public policy.” AB1X 26 specifies that only payments included on an “enforceable obligation payment schedule” adopted by a redevelopment agency shall be made by a redevelopment agency until its dissolution. However, until a successor agency adopts a “recognized obligation payment schedule” the only payments permitted to be made are payments on enforceable obligations included on an enforceable obligation payment schedule. A successor agency may amend the enforceable obligation payment schedule at any public meeting, subject to the approval of its oversight board.

Under AB1X 26, commencing February 1, 2012, property taxes that would have been allocated to each redevelopment agency if the agencies had not been dissolved will instead be deposited in a “redevelopment property tax trust fund” created for each former redevelopment agency by the related county auditor-controller and held and administered by the related county auditor-controller as provided in AB1X 26. AB1X 26 generally requires each county auditor-controller, on May 16, 2012 and June 1, 2012 and each January 16 and June 1 (now each January 2 and June 1 pursuant to AB 1484, as described below) thereafter, to apply amounts in a related redevelopment property tax trust fund, after deduction of the county auditor-controller’s administrative costs, in the following order of priority:

- To pay pass-through payments to affected taxing entities in the amounts that would have been owed had the former redevelopment agency not been dissolved; provided, however, that if a successor agency determines that insufficient funds will be available to make payments on the recognized obligation payment schedule and the county auditor-controller and State Controller verify such determination, pass-through payments that had previously been subordinated to debt service may be reduced;
- To the former redevelopment agency’s successor agency for payments listed on the successor agency’s recognized obligation payment schedule for the ensuing six-month period;
- To the former redevelopment agency’s successor agency for payment of administrative costs; and
- Any remaining balance to school entities and local taxing agencies.

The District received approximately \$[.] million in pass-through payments in fiscal year 2022-23 and projects it will receive \$[.] million in pass-through payments in fiscal year 2023-24.

It is possible that there will be additional legislation proposed and/or enacted to “clean up” various inconsistencies contained in AB1X 26 and there may be additional legislation proposed and/or enacted in the future affecting the current scheme of dissolution and winding up of redevelopment agencies currently contemplated by AB1X 26. For example, AB 1484 was signed by the Governor on June 27, 2012, to clarify and amend certain aspects of AB1X 26. AB 1484, among other things, attempts to clarify the role and requirements of successor agencies, provides successor agencies with more control over agency bond proceeds and properties previously owned by redevelopment agencies and adds other new and modified requirements and deadlines. AB 1484 also provides for a “tax claw back” provision, wherein the State is authorized to withhold sales and use tax revenue allocations to local successor agencies to offset payment of property taxes owed and not paid by such local successor agencies to other local taxing agencies. This “tax claw back” provision has been challenged in court by certain cities and successor agencies. The District cannot predict the outcome of such litigation and what effect, if any, it will have on the District. Additionally, no assurances can be given as to the effect of any such future proposed and/or enacted legislation on the District.

Allocation of State Funding to School Districts; Local Control Funding Formula

Prior to the implementation of the Local Control Funding Formula in fiscal year 2013-14, under Section 42238 *et seq.* of the State Education Code, each school district was determined to have a target funding level: a “base revenue limit” per student multiplied by the district’s student enrollment measured in units of average daily attendance. The base revenue limit was calculated from the district’s prior-year funding level, as adjusted for a number of factors, such as inflation, special or increased instructional needs and costs, employee retirement costs, especially low enrollment, increased pupil transportation costs, etc. Generally, the amount of State funding allocated to each school district was the amount needed to reach that district’s base revenue limit after taking into account certain other revenues, in particular, locally generated property taxes. This is referred to as State “equalization aid.” To the extent local tax revenues increased due to growth in local property assessed valuation, the additional revenue was offset by a decline in the State’s contribution; ultimately, a school district whose local property tax revenues exceeded its base revenue limit was entitled to receive no State equalization aid, and received only its special categorical aid, which is deemed to include the “basic aid” of \$120 per student per year guaranteed by Article IX, Section 6 of the State Constitution. Such districts were known as “basic aid districts,” which are now referred to as “community funded districts.” School districts that received some equalization aid were commonly referred to as “revenue limit districts,” which are now referred to as “LCFF districts.” The District is an LCFF district.

Beginning in fiscal year 2013-14, the LCFF replaced the revenue limit funding system and most categorical programs, and distributes combined resources to school districts through a base revenue limit funding grant (“**Base Grant**”) per unit of average daily attendance (“**A.D.A.**”) with additional supplemental funding allocated to local educational agencies based on their proportion of English language learners, students from low-income families and foster youth. The LCFF originally had an eight year implementation program to incrementally close the gap between actual funding and the target level of funding, as described below. In fiscal year 2018-19, the LCFF was fully funded ahead of the eight year implementation schedule. The LCFF includes the following components:

- A Base Grant for each local educational agency. The Base Grants are based on four uniform, grade-span base rates. For fiscal year 2023-24, the LCFF provided to school districts and charter schools: (a) a Target Base Grant for each LEA equivalent to \$10,951 per A.D.A. for kindergarten through grade 3; (b) a Target Base Grant for each LEA equivalent to \$10,069 per A.D.A. for grades 4 through 6; (c) a Target Base Grant for each LEA equivalent to \$10,367 per A.D.A. for grades 7 and 8; and (d) a Target Base Grant for each LEA equivalent to \$12,327 per A.D.A. for grades 9 through 12. This amount includes an adjustment of 10.4% to the Base Grant to support lowering class sizes in grades K-3, and an adjustment of 2.6% to reflect the cost of operating career technical education programs in grades 9-12. However, the amount of actual funding allocated to the Base Grant, Supplemental Grants and Concentration Grants will be subject to the discretion of the State.

- A 20% supplemental grant for the unduplicated number of English language learners, students from low-income families and foster youth to reflect increased costs associated with educating those students.
- An additional concentration grant of up to 50% of a local educational agency's Base Grant, based on the number of English language learners, students from low-income families and foster youth served by the local educational agency that comprise more than 55% of enrollment.
- An Economic Recovery Target (the "ERT") that is intended to ensure that almost every local educational agency receives at least their pre-recession funding level (i.e., the fiscal year 2007-08 revenue limit per unit of A.D.A.), adjusted for inflation, at full implementation of the LCFF. Upon full implementation, local educational agencies would receive the greater of the Base Grant or the ERT.

Under the new formula, for community funded districts, local property tax revenues would be used to offset up to the entire allocation under the new formula. However, community funded districts would continue to receive the same level of State aid as allocated in fiscal year 2012-13.

Local Control Accountability Plan. A feature of the LCFF is a system of support and intervention for local educational agencies. School districts, county offices of education and charter schools are required to develop, implement and annually update a three-year local control and accountability plan ("LCAP"). Each LCAP must be developed with input from teachers, parents and the community, and should describe local goals as they pertain to eight areas identified as state priorities, including student achievement, parent engagement and school climate, as well as detail a course of action to attain those goals. Moreover, the LCAPs must be designed to align with the district's budget to ensure adequate funding is allocated for the planned actions.

Each school district must submit its LCAP annually on or before July 1 for approval by its county superintendent. The county superintendent then has until August 15 to seek clarification regarding the contents of the LCAP, and the school district must respond in writing. The county superintendent can submit recommendations for amending the LCAP, and such recommendations must be considered, but are not mandatory. A school district's LCAP must be approved by its county superintendent by October 8 of each year if such superintendent finds (i) the LCAP adheres to the State template, and (ii) the district's budgeted expenditures are sufficient to implement the strategies outlined in the LCAP.

Performance evaluations are to be conducted to assess progress toward goals and guide future actions. County superintendents are expected to review and provide support to the school districts under their jurisdiction, while the State Superintendent performs a corresponding role for county offices of education. The California Collaborative for Education Excellence (the "**Collaborative**"), a newly established body of educational specialists, was created to advise and assist local educational agencies in achieving the goals identified in their LCAPs. For local educational agencies that continue to struggle in meeting their goals, and when the Collaborative indicates that additional intervention is needed, the State Superintendent would have authority to make changes to a local educational agency's LCAP.

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Attendance and LCFF. The following table sets forth the District’s actual and budgeted A.D.A., enrollment (including percentage of students who are English language learners, from low-income families and/or foster youth (collectively, “**EL/LI Students**”), and targeted Base Grant per unit of A.D.A. for fiscal years 2014-15 through 2023-24. The State reached full funding of the Base Grant in fiscal year 2018-19. The A.D.A. and enrollment numbers reflected in the following table include special education and exclude enrollment at any independent charter schools.

OAKLAND UNIFIED SCHOOL DISTRICT
(County of Alameda, California)
Average Daily Attendance, Enrollment and Targeted Base Grant
Fiscal Years 2014-15 through 2023-24

Fiscal Year		A.D.A./Base Grant				Enrollment ⁽¹⁴⁾		
		K-3	4-6	7-8	9-12	Total A.D.A.	Total Enrollment	Unduplicated % of EL/LI Students
2014-15	A.D.A. ⁽²⁾ :	13,574.62	8,321.54	4,766.64	8,523.18	35,185.98	37,096	78.07%
	Targeted Base Grant ⁽³⁾⁽⁴⁾ :	\$7,011	\$7,116	\$7,328	\$8,491	-	-	-
2015-16	A.D.A. ⁽²⁾ :	13,439.47	8,487.31	4,577.37	8,979.37	35,483.52	37,122	78.07%
	Targeted Base Grant ⁽³⁾⁽⁵⁾ :	\$7,083	\$7,189	\$7,403	\$8,578	-	-	-
2016-17	A.D.A. ⁽²⁾ :	12,977.63	8,391.58	4,502.63	9,168.33	35,040.17	36,761	78.07%
	Targeted Base Grant ⁽³⁾⁽⁶⁾ :	\$7,083	\$7,189	\$7,403	\$8,578	-	-	-
2017-18	A.D.A. ⁽²⁾ :	12,959.20	8,394.71	4,485.82	9,117.93	34,957.66	37,049	77.38%
	Targeted Base Grant ⁽³⁾⁽⁷⁾ :	\$7,193	\$7,301	\$7,518	\$8,712	-	-	-
2018-19	A.D.A. ⁽²⁾ :	12,743.58	7,913.63	4,289.74	9,326.74	34,273.69	35,666	76.76%
	Targeted Base Grant ⁽³⁾⁽⁸⁾ :	\$7,459	\$7,571	\$7,796	\$9,034	-	-	-
2019-20	A.D.A. ⁽²⁾ :	12,331.17	7,967.19	4,462.12	8,938.97	33,699.45	36,111	76.47%
	Targeted Base Grant ⁽³⁾⁽⁹⁾ :	\$7,702	\$7,818	\$8,050	\$9,329	-	-	-
2020-21	A.D.A. ⁽²⁾ :	12,441.67	8,026.02	4,505.00	8,938.97	33,911.66	35,435	75.80%
	Targeted Base Grant ⁽³⁾⁽¹⁰⁾ :	\$7,702	\$7,818	\$8,050	\$9,329	-	-	-
2021-22	A.D.A. ⁽²⁾ :	[12,442.17]	[8,013.84]	[4,498.33]	[8,938.43]	[33,892.77]	[35,034]	[75.54]%
	Targeted Base Grant ⁽³⁾⁽¹¹⁾ :	\$8,092	\$8,214	\$8,458	\$9,802	-	-	-
2022-23	A.D.A. ⁽²⁾ :	[]	[]	[]	[]	[30,438]	[33,683]	[.]%
	Targeted Base Grant ⁽³⁾⁽¹²⁾ :	\$[]	\$[]	\$[]	\$[]	-	-	-
2023-24 ⁽¹⁾	A.D.A. ⁽²⁾ :	[]	[]	[]	[]	[32,096]	[33,683]	[.]%
	Targeted Base Grant ⁽³⁾⁽¹³⁾ :	\$[]	\$[]	\$[]	\$[]	-	-	-

⁽¹⁾ Figures are projections.

⁽²⁾ A.D.A. for the second period of attendance, typically in mid-April of each school year.

⁽³⁾ Such amounts represent the targeted amount of Base Grant per unit of A.D.A., and do not include any supplemental and concentration grants under the LCFF. Such amounts were not fully funded until fiscal year 2018-19.

⁽⁴⁾ Targeted fiscal year 2014-15 Base Grant amounts reflect a 0.85% cost of living adjustment from targeted fiscal year 2013-14 Base Grant amounts.

⁽⁵⁾ Targeted fiscal year 2015-16 Base Grant amounts reflect a 1.02% cost of living adjustment from targeted fiscal year 2014-15 Base Grant amounts.

⁽⁶⁾ Targeted fiscal year 2016-17 Base Grant amounts reflect a 0.00% cost of living adjustment from targeted fiscal year 2015-16 Base Grant amounts.

⁽⁷⁾ Targeted fiscal year 2017-18 Base Grant amounts reflect a 1.56% cost-of-living adjustment from targeted fiscal year 2016-17 Base Grant amounts.

⁽⁸⁾ Targeted fiscal year 2018-19 Base Grant amounts reflect a 3.70% cost-of-living adjustment from targeted fiscal year 2017-18 Base Grant amounts.

⁽⁹⁾ Targeted fiscal year 2019-20 Base Grant amounts reflect a 3.26% cost of living adjustment from targeted fiscal year 2018-19 Base Grant amounts.

⁽¹⁰⁾ Targeted fiscal year 2020-21 Base Grant amounts reflect a 0.0% cost of living adjustment from targeted fiscal year 2019-20 Base Grant amounts.

⁽¹¹⁾ Targeted fiscal year 2021-22 Base Grant amount reflects a 4.05% cost-of-living adjustment from targeted fiscal year 2020-21 Base Grant amounts.

⁽¹²⁾ Targeted fiscal year 2022-23 Base Grant amount reflects a 6.56% cost-of-living adjustment from targeted fiscal year 2021-22 Base Grant amounts.

⁽¹³⁾ Targeted fiscal year 2023-24 Base Grant amount reflects an 8.22% cost-of-living adjustment from targeted fiscal year 2022-23 Base Grant amounts.

⁽¹⁴⁾ Reflects enrollment as of October report submitted to the CBEDS in each school year. For fiscal year 2014-15, the percentage of unduplicated EL/LI Students enrollment was based on the two-year average of EL/LI Students enrollment in fiscal years 2013-14 and 2014-15. Beginning in fiscal year 2015-16, a school district’s percentage of unduplicated EL/LI Students was and will be based on a rolling average of such school district’s EL/LI Students enrollment for the then-current fiscal year and the two immediately preceding fiscal years.

Source: The District.

The District estimates it received approximately \$460.8 million in aggregate revenues reported under LCFF sources in fiscal year 2022-23, and projects to receive approximately \$489.6 million in aggregate revenues under the LCFF in fiscal year 2023-24 (or approximately 60.5% of its general fund revenues in fiscal year 2023-24). Such amount includes combined supplemental and concentration grants budgeted to be approximately \$[] million in fiscal year 2023-24.

Local Sources of Education Funding

General. The principal component of local revenues is a school district's property tax revenues, i.e., each district's share of the local 1% property tax, received pursuant to Sections 75 *et seq.* and Sections 95 *et seq.* of the California Revenue and Taxation Code. Section 42238(h) of the California Education Code itemizes the local revenues that are counted towards the amount allocated under the LCFF (and formerly, the base revenue limit) before calculating how much the State must provide in State aid. The more local property taxes a district receives, the less State aid it is entitled to receive. Prior to the implementation of the LCFF, a school district whose local property tax revenues exceeded its base revenue limit was entitled to receive no State aid, and received only its special categorical aid which is deemed to include the "basic aid" of \$120 per student per year guaranteed by Article IX, Section 6 of the California Constitution. Such districts were known as "basic aid districts" and, under the LCFF, are known as "community funded districts." School districts that received some State aid were commonly referred to as "revenue limit districts." The District was a revenue limit district and is now referred to as an LCFF district. Under the LCFF, local property tax revenues are used to offset up to the entire State aid collection under the new formula; however, community funded districts would continue to receive, at a minimum, the same level of State aid as allotted in fiscal year 2012-13. See "– Allocation of State Funding to School Districts; Local Control Funding Formula" below for more information.

Local property tax revenues are estimated to account for approximately 29.9% of the District's aggregate revenues reported under LCFF sources in fiscal year 2021-22, and are projected to be \$146.3 million, or 18.1% of its total general fund revenues in fiscal year 2023-24.

For a discussion of legal limitations on the ability of the District to raise revenues through local property taxes, see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS."

Effect of Changes in Enrollment. Changes in local property tax income and A.D.A. affect LCFF districts and community funded districts differently. In an LCFF district, increasing enrollment increases the total amount distributed under the LCFF and thus generally increases a district's entitlement to State equalization aid, while increases in property taxes do nothing to increase district revenues, but only offset the State funding requirement of equalization aid. Operating costs increase disproportionately slowly to enrollment growth; and only at the point where additional teachers and classroom facilities are needed. Declining enrollment has the reverse effect on LCFF districts, generally resulting in a loss of State equalization aid, while operating costs decrease slowly and only when, for example, the district decides to lay off teachers or close schools.

In community funded districts, the opposite is generally true: increasing enrollment increases the amount to which the district would be entitled were it an LCFF district, but since all LCFF income (and more) is already generated by local property taxes, there is no increase in State income, other than the \$120 per student in basic aid, as described above. Meanwhile, as new students impose increased operating costs, property tax income is stretched further. Declining enrollment does not reduce property tax income, and has a negligible impact on State aid, but eventually reduces operating costs, and thus can be financially beneficial to a community funded district.

Enrollment can fluctuate due to factors such as population growth, competition from private, parochial, and public charter schools, inter-district transfers in or out, and other causes. Losses in enrollment will cause a school district to lose operating revenues, without necessarily permitting the District to make adjustments in fixed operating costs.

The District cannot make any predictions regarding how the current economic environment or changes thereto will affect the State's ability to meet the revenue and spending assumptions in the State's adopted budget, and the effect of these changes on school finance. The District's adopted budget and projected A.D.A. are used for

planning purposes only, and do not represent a prediction as to the actual financial performance, attendance, or the District's actual funding level for fiscal year 2023-24 or beyond. Certain adjustments will have to be made throughout the year based on actual State funding and actual attendance.

Other District Revenues

Federal Revenues. The federal government provides funding for several District programs, including special education programs. Federal revenues, most of which are restricted, comprise approximately 13.6% (or approximately \$109.8 million) of the District's general fund projected revenues for fiscal year 2023-24.

Other State Revenues. In addition to State apportionments for Proposition 98 funding through the Local Control Funding Formula, the District receives other State revenues which comprise approximately 15.1% (or approximately \$122.4 million) of the District's general fund projected revenues for fiscal year 2023-24. A significant portion of such other State revenues are amounts the District expects to receive from State lottery funds, which may not be used for non-instructional purposes, such as the acquisition of real property, the construction of facilities, or the financing of research. School districts receive lottery funds proportional to their total A.D.A. The District's State lottery revenue is projected at approximately \$8.3 million for fiscal year 2023-24.

Other Local Revenues. In addition to *ad valorem* property taxes, the District receives additional local revenues from items such as interest earnings and other local sources. Other local revenues comprise approximately 10.8% (or approximately \$87.1 million) of the District's general fund projected revenues for fiscal year 2023-24.

Parcel Taxes. Voters in the District previously approved a qualified special tax (parcel tax) in 1996, which was extended in 2001 and 2004, and which is now expired.

In February 2008, voters in the District approved a permanent parcel tax measure, authorizing a \$195 per parcel tax with no sunset provision. The permanent parcel tax generates approximately \$20 million annually, and is used in part to attract and retain highly qualified teachers, maintain courses that help students qualify for college, maintain up-to-date textbooks and instructional materials, keep class sizes small, continue after-school academic programs, maintain school libraries, and provide programs, including arts and music, that enhance student achievement.

On November 4, 2014, voters in the District approved a parcel tax of \$120 per parcel for ten years, commencing July 1, 2015 and expiring June 30, 2025. The parcel tax is expected to generate approximately \$12 million annually. Proceeds from the parcel tax may be used (i) to increase support for high school students in college preparatory courses, (ii) to provide work-based learning in every high school, including career exploration, career technical education courses, job shadowing, internships and job certifications, (iii) to reduce the drop-out rate and (iv) to provide programs to students transitioning to high school and college. On November 8, 2022, voters within the District approved a renewal of the annual tax of \$120 per parcel, for each year between July 1, 2023 and June 30, 2037.

On November 8, 2016, voters in the District approved a parcel tax of \$120 per parcel for twelve years, commencing July 1, 2017 and expiring June 30, 2029. The parcel tax is expected to generate approximately \$12.4 million annually, \$[3.6] million of which is expected to be allocated to charter schools within the District in fiscal year 2023-24. Proceeds from the parcel tax may be used (i) to provide a districtwide educator salary increase designed to attract/retain teachers, (ii) to provide enhanced middle school art, music, languages/other programs in addition to core educational programs, (iii) to improve academic achievement and (iv) to provide safe, positive schools, and prepare students for college/careers.

District Budget Process and County Review

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

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

The county superintendent must review and approve, conditionally approve or disapprove the budget no later than September 15. The county superintendent is required to examine the adopted budget for compliance with the standards and criteria adopted by the State Board of Education and identify technical corrections necessary to bring the budget into compliance with the established standards. In the event that the county superintendent conditionally approves or disapproves the school district's budget, the county superintendent will submit to the governing board of the school district no later than September 15 of such year written recommendations regarding revisions of the budget and the reasons for the recommendations, including, but not limited to, the amounts of any budget adjustments needed before the county superintendent can approve that budget.

The governing board of the school district, together with the county superintendent, must review and respond to the recommendations of the county superintendent on or before October 8 at a regular meeting of the governing board of the school district. The county superintendent will examine and approve or disapprove of the revised budget by November 8 of such year. If the county superintendent disapproves a revised budget, the county superintendent will call for the formation of a budget review committee. By December 31 of each year, every school district must have an adopted budget, or the State Superintendent may impose a budget and will report such school district to the State Legislature and the Department of Finance.

Subsequent to approval, the county superintendent will monitor each school district under its jurisdiction throughout the fiscal year pursuant to its adopted budget to determine on an ongoing basis if the school district can meet its current or subsequent year financial obligations.

If at any time during the fiscal year the county superintendent determines that a school district may be unable to meet its financial obligations for the current or two subsequent fiscal years or if a school district has a qualified or negative certification (as described below), the county superintendent will notify the governing board of the school district and the State Superintendent of that determination and report to the State Superintendent the financial condition of the school district. The county superintendent will also report proposed remedial actions and take at least one of the following and all actions that are necessary to ensure that the school district meets its financial obligations: (a) assign a fiscal expert, (b) conduct a study of the financial and budgetary conditions of the school district that includes, but is not limited to, a review of internal controls, (c) direct the school district to submit a financial projection of all fund and cash balances of the school district as of June 30 of the current year and subsequent fiscal years, (d) require the school district to encumber all contracts and other obligations, to prepare appropriate cashflow analyses and monthly or quarterly budget revisions, and to appropriately record all receivables and payables, (e) direct the school district to submit a proposal for addressing the fiscal conditions that resulted in the determination that the school district may not be able to meet its financial obligations, (f) withhold compensation of the members of the governing board of the school district and the school district superintendent for failure to provide requested financial information, and (g) assign the County Office Fiscal Crisis and Management Assistance Team to review and provide recommendations related to teacher hiring practices, teacher retention rate, percentage of provision of highly qualified teachers, and the extent of teacher misassignment in the school district. See also "RISK FACTORS – District Financial Considerations" and "THE DISTRICT – Fiscal Oversight" above.

If, after taking various remedial actions, the county superintendent determines that a school district cannot meet its current or the subsequent year's obligations, the county superintendent will notify the school district's governing board, the State Superintendent and the president of the State board (or the president's designee) of the determination and take at least one of the following actions, and all actions that are necessary to ensure that the school district meets its financial obligations: (a) develop and impose, after also consulting with the State Superintendent and the school district's governing board, revisions to the budget that will enable the school district to meet its financial obligations in the current fiscal year, (b) stay or rescind any action inconsistent with the ability of the school district to meet its obligations for the current or subsequent fiscal year, (c) assist in developing, in consultation with the school district's governing board, a financial plan that will enable the school district to meet its future obligations, (d) assist in developing, in consultation with the school district's governing board, a budget for the subsequent fiscal year, and (e) as necessary, appoint a fiscal advisor to perform the aforementioned duties. The county superintendent will also make a report to the State Superintendent and the president of the State board or the

president's designee about the financial condition of the school district and the remedial actions proposed by the county superintendent. However, the county superintendent may not abrogate any provision of a collective bargaining agreement that was entered into prior to the date upon which the county superintendent assumed authority.

A State law adopted in 1991 (known as "A.B. 1200") (as amended by AB 1840) imposed additional financial reporting requirements on school districts, and established guidelines for emergency State aid apportionments. Under the provisions of A.B. 1200 and the Education Code (Section 42100 *et seq.*), each school district is required to file two interim certifications with the county superintendent (on December 15, for the period ended October 31, and by mid-March for the period ended January 31) as to its ability to meet its financial obligations for the remainder of the then-current fiscal year and, based on current forecasts, for the subsequent fiscal year. The county superintendent reviews the certification and issues either a positive, negative or qualified certification. A positive certification is assigned to any school district that, based on then current projections, will meet its financial obligations for the current fiscal year and the subsequent two fiscal years. A negative certification is assigned to any school district that, based on then current projections, will be unable to meet its financial obligations for the remainder of the fiscal year or the subsequent fiscal year. A qualified certification is assigned to any school district that, based on then current projections, will not meet its financial obligations for the current fiscal year or the two subsequent fiscal years. A certification may be revised to a negative or qualified certification by the county superintendent, as appropriate. A school district that receives a qualified or negative certification for its second interim report must provide to the county superintendent, the State Controller and the State Superintendent no later than June 1, financial statement projections of the school district's fund and cash balances through June 30 for the period ending April 30.

Any school district that receives a qualified or negative certification in any fiscal year may not issue, in that fiscal year or in the next succeeding fiscal year, certificates of participation, tax and revenue anticipation notes, revenue bonds or any other debt instruments that do not require the approval of the voters of the school district, unless the county superintendent determines that the school district's repayment of indebtedness is probable. The District's first and second interim reports for fiscal year 2022-23 received qualified certifications.

For school districts under fiscal distress, the county superintendent is authorized to take a number of actions to ensure that the school district meets its financial obligations, including budget revisions. However, the county superintendent is not authorized to approve any diversion of revenue from *ad valorem* property taxes levied to pay debt service on district general obligation bonds. A school district that becomes insolvent may, upon the approval of a fiscal plan by the county superintendent, request an emergency appropriation from the State, in which case the county superintendent, the State Superintendent and the president of the State board or the president's designee will appoint a trustee to serve the school district until it has adequate fiscal systems and controls in place. The acceptance by a school district of an emergency apportionment exceeding 200% of the reserve recommended for that school district constitutes an agreement that the county superintendent will assume control of the school district in order to ensure the school district's return to fiscal solvency.

In the event the State elects to provide an emergency apportionment to a school district, such apportionment will constitute an advance payment of apportionments owed to the school district from the State School Fund and the Education Protection Account. The emergency apportionment may be accomplished in two ways. First, a school district may participate in a two-part financing in which the school district receives an interim loan from the State general fund, with the agreement that the school district will subsequently enter into a lease financing with the California Infrastructure and Economic Development Bank for purposes of financing the emergency apportionment, including repaying such amounts advanced to the State general fund. State law provides that so long as bonds from such lease financing are outstanding, the recipient school district (via its administrator) cannot file for bankruptcy. As an alternative, a school district may receive an emergency apportionment from the State general fund that must be repaid in 20 years. Each year, the Superintendent of Public Instruction will withhold from the apportionments to be made to the school district from the State School Fund and the Education Protection Account an amount equal to the emergency apportionment repayment that becomes due that year. The determination as to whether the emergency apportionment will take the form of a lease financing or an emergency apportionment from the State general fund will be based upon the availability of funds within the State general fund.

Accounting Practices

The accounting policies of the District conform to generally accepted accounting principles in accordance with the definitions, instructions and procedures of the California School Accounting Manual, as required by the Education Code. Revenues are recognized in the period in which they become both measurable and available to finance expenditures of the current fiscal period. Expenditures are recognized in the period in which the liability is incurred.

OAKLAND UNIFIED SCHOOL DISTRICT
(County of Alameda, California)
Fiscal Years 2017-18 through 2021-22
General Fund Revenues, Expenditures and Fund Balances⁽¹⁾⁽²⁾

	2017-18 Audited	2018-19 Audited	2019-20 Audited	2020-21 Audited	2021-22 Audited
REVENUES					
LCFF Sources	\$361,901,082	\$378,498,739	\$383,008,899	\$384,268,671	\$413,048,352
Federal Revenue	45,364,332	45,307,610	45,910,978	90,290,705	121,848,389
Other State Sources	67,537,787	91,451,136	74,138,852	114,885,751	112,878,184
Other Local Sources	82,649,655	90,844,009	80,770,934	94,591,884	92,537,565
Total Revenue:	<u>\$557,452,856</u>	<u>\$606,101,494</u>	<u>\$583,829,663</u>	<u>\$684,037,011</u>	<u>\$740,312,490</u>
EXPENDITURES					
Certificated Salaries	\$194,797,326	\$191,352,494	\$206,450,471	\$217,547,483	\$236,679,102
Classified Salaries	93,396,948	93,862,136	93,167,210	107,977,226	113,263,382
Employee Benefits	136,527,883	159,511,716	166,743,932	167,157,753	176,203,050
Books and Supplies	14,030,706	18,350,244	19,310,765	40,607,334	39,536,152
Services/Other Operating					
Expenditures	85,847,492	94,771,944	92,844,072	89,968,340	121,074,510
Other Outgo	1,529,816	4,183,430	4,749,512	3,698,469	4,371,349
Capital Outlay	1,125,173	7,836,114	1,174,081	1,475,205	1,162,350
Debt Service	5,963,945	5,944,659	5,928,534	6,028,442	6,089,199
Total Expenditures:	<u>\$533,219,289</u>	<u>\$575,812,737</u>	<u>\$590,368,577</u>	<u>\$634,460,252</u>	<u>\$698,379,094</u>
Excess (Deficiency) of Revenues Over Expenditures	\$24,233,567 ⁽⁹⁾	\$30,288,757	\$(6,538,914)	\$49,576,759	\$41,933,396
OTHER FINANCING SOURCES (USES)					
Transfers In ⁽³⁾	\$ 207,817	\$ 185,645	\$264,067	\$1,056,262	-
Proceeds from Sale	-	-	-	58,555	-
Transfers Out ⁽³⁾	(1,722,460)	(5,726,382)	(886,044)	-	\$(5,478,895)
Net Financing Sources (Uses):	<u>\$(1,514,643)</u>	<u>\$(5,540,737)</u>	<u>\$(621,977)</u>	<u>\$1,114,817</u>	<u>\$(5,478,895)</u>
NET CHANGE IN FUND BALANCE					
	<u>\$22,718,924⁽⁴⁾</u>	<u>\$24,748,020</u>	<u>\$(7,160,891)</u>	<u>\$50,691,576</u>	<u>\$36,454,501</u>
Fund Balance – Beginning	\$27,264,146	\$49,983,070	\$74,731,090	\$68,356,836	\$119,048,412
Fund Balance – End	\$49,983,070	\$74,731,090	\$67,570,199 ⁽⁵⁾	\$119,048,412	\$155,502,913

⁽¹⁾ Columns may not sum to totals due to rounding.

⁽²⁾ Audited financials are presented for fiscal years 2017-18 through 2021-22.

⁽³⁾ Transfers in represent reimbursements for costs paid on behalf of other funds, and transfers out represent contributions from the general fund to other funds. Variances shown between each fiscal year are based on the actual costs paid or contribution needs.

⁽⁴⁾ Increase in revenues over expenditures and net change in fund balance for fiscal year 2017-18 was primarily due to increases in LCFF funding and parcel tax revenues. The decrease in expenditures in fiscal year 2017-18 is due to mid-year budget reductions.

⁽⁵⁾ Ending Fund Balance for fiscal year 2019-20 was restated to \$68,356,836.

Sources: Oakland Unified School District Annual Financial Report for the fiscal years ending June 30, 2018, 2019, 2020, 2021 and 2022.

The following table sets forth the budgeted revenues, expenditures and changes in fund balances for the District's general fund for fiscal years 2022-23 and 2023-24 and unaudited actuals for fiscal year 2022-23. Certain adjustments may be made throughout the year based on actual State funding and actual District revenues and tax collections. The District cannot make any predictions regarding the disposition of additional pending budget legislation or its effect on the District. The District's budget is a planning tool, and does not represent a prediction as to the actual achievement of any budgeted revenues or fund balances.

OAKLAND UNIFIED SCHOOL DISTRICT
(County of Alameda, California)
Budgeted General Fund Summary for Fiscal Years 2022-23 and 2023-24
and Unaudited Actuals for Fiscal Year 2022-23⁽¹⁾

	2022-23 Budgeted ⁽²⁾	2022-23 Unaudited Actuals ⁽²⁾	2023-24 Budgeted ⁽³⁾
REVENUES			
LCFF Sources	\$399,252,017	\$464,182,315	\$489,627,658
Federal Revenue	113,402,751	118,465,168	109,836,611
Other State Revenue	107,595,385	210,744,327	122,422,819
Other Local Revenue	81,358,930	88,078,760	87,096,328
TOTAL	\$701,609,083	\$881,470,569	\$808,983,416
EXPENDITURES			
Certificated Salaries	\$237,229,092	\$257,039,184	\$234,235,062
Classified Salaries	106,537,947	116,219,323	120,883,304
Employee Benefits	197,555,178	191,841,192	212,886,449
Books and Supplies	56,568,769	26,219,946	77,128,733
Services/Other Operating Expenditures	133,202,291	143,055,046	146,081,769
Other Outgo - Transfers of Indirect Costs	(1,271,222)	(879,012)	(1,366,676)
Other Outgo (excluding Transfers of Indirect Costs)	12,998,797	11,927,469	8,988,762
Capital Outlay	401,629	2,521,195	3,980,589
TOTAL	\$743,222,481	\$747,944,344	\$802,817,992
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	\$(41,613,398)	\$133,526,226	\$6,165,424
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	\$(3,000,000)	\$(5,900,000)	\$(3,000,000)
Other Sources ⁽⁴⁾	15,000	404	-
TOTAL OTHER FINANCING SOURCES (USES)	\$(2,985,000)	\$(5,899,596)	\$(3,000,000)
NET CHANGE IN FUND BALANCE	\$(44,598,398)	\$127,626,629	\$3,165,424
Fund Balance – Beginning	\$117,972,065	\$160,141,876	\$283,129,544
Audit Adjustments	-	(4,638,961)	-
Fund Balance – Ending	\$73,373,667	\$283,129,544	\$286,294,968

⁽¹⁾ Columns may not sum to totals due to rounding.

⁽²⁾ Unaudited actuals for fiscal year 2022-23, approved as of September 13, 2023.

⁽³⁾ Adopted budget for fiscal year 2023-24, approved as of June 28, 2023.

⁽⁴⁾ [Explanation for other sources in fiscal year 2022-23 budget.]

Source: The District.

Audit Findings

[The District is in the process of resolving findings from past audits. For fiscal year 2021-22, the District's general fund was subject to approximately \$[] in audit adjustments. For fiscal year 2020-21, the District's

general fund was subject to approximately \$275,158 in audit adjustments. For fiscal year 2019-20, the District’s general fund was subject to approximately \$2.7 million in audit adjustments. In fiscal year 2018-19, the District’s general fund was subject to \$4 million in audit adjustments.] [Subject to update]

District Debt Structure

State of California Emergency Apportionment Loan. Prior to 2003, the County Superintendent appointed the Fiscal Crisis and Management Assistance Team (“FCMAT”) as the financial advisor to the District. Upon review of the District’s financial condition, FCMAT declared a fiscal emergency in the District and, in response to this declaration, the District requested an emergency apportionment loan. On May 30, 2003, the Governor approved SB 39, which provided an emergency apportionment loan to the District of up to \$100,000,000 as a floating line of credit to be drawn as the State Administrator and FCMAT jointly determined was needed to meet District obligations, including the District’s operating costs. The District drew down \$65,000,000 in 2003 (the “**2003 Draw**”) and drew down the remaining \$35,000,000 in 2007 (the “**2007 Draw**”). SB 39 requires the District to repay the loan over a 20-year term, commencing at the time of origination of the loan, with interest determined at a rate of 1.778%. The District began repayment of the Emergency Apportionment Loan in fiscal year 2003-04 using funds from the District’s general fund.

Refunding of a Portion of the State Emergency Apportionment Loan. In December 2005, the Infrastructure Bank issued its State School Fund Apportionment Lease Revenue Bonds, Series 2005 (the “**2005 Emergency Apportionment Refunding Bonds**”). A portion of the proceeds of the 2005 Emergency Apportionment Refunding Bonds were used to repay to the State’s general fund the then-outstanding amount of the 2003 Draw and convert the 2003 Draw into a lease-financing obligation of the District. The 2005 Emergency Apportionment Refunding Bonds were then refunded through the issuance of the Infrastructure Bank’s State School Fund Apportionment Lease Revenue Refunding Bonds, Series 2008 in April 2008, in the amount of \$59,565,000 (the “**2008 Emergency Apportionment Refunding Bonds**”). The District repaid in full the 2008 Emergency Apportionment Refunding Bonds in January 2023.

General Obligation Bonds. The District currently has 15 series of bonds outstanding, which are secured by *ad valorem* taxes upon all property subject to taxation by the District.

On November 8, 1994, the District received authorization to issue bonds of the District in an aggregate principal amount not to exceed \$169,730,000 (the “**1994 Measure C Authorization**”). All of the bonds from the 1994 Measure C Authorization have been issued.

On March 7, 2000, the District received authorization to issue bonds of the District in an aggregate principal amount not to exceed \$303,000,000 (the “**2000 Measure A Authorization**”). All of the bonds from the 2000 Measure A Authorization have been issued. The following table shows bonds associated with the 1994 Measure C Authorization and the 2000 Measure A Authorization outstanding as of October 1, 2023.

Series Name	Issue Date	Outstanding Principal Amount
2015 General Obligation Refunding Bonds ⁽¹⁾	August 20, 2015	\$
General Obligation Refunding Bonds, 2017 Series A ⁽²⁾⁽³⁾	May 25, 2017	\$
Total:		\$

⁽¹⁾ The District’s 2015 General Obligation Refunding Bonds refunded bonds issued under the 2000 Measure A Authorization.

⁽²⁾ The District’s General Obligation Refunding Bonds, 2017 Series A refunded bonds issued under the 1994 Measure C Authorization and 2000 Measure A Authorization.

⁽³⁾ Subject to redemption in part and tender for purchase [or exchange] related to the issuance of the Refunding Bonds.

On June 6, 2006, the District received authorization to issue bonds of the District in an aggregate principal amount not to exceed \$435,000,000 (the “**2006 Measure B Authorization**”). The following table shows bonds issued under the 2006 Measure B Authorization and the respective issue dates and initial principal amounts:

Series Name	Issue Date	Initial Principal Amount
General Obligation Bonds (Election of 2006, Series 2006) ⁽¹⁾	November 28, 2006	\$130,000,000
General Obligation Bonds (Election of 2006, Series 2009A) ⁽²⁾	August 12, 2009	87,885,000
Taxable General Obligation Bonds (Election of 2006, Series 2009B) (Build America Bonds) ⁽³⁾	August 12, 2009	70,795,000
Taxable General Obligation Bonds (Election of 2006, Series 2009C) Qualified School Construction Bonds (Tax Credit Bonds)	August 12, 2009	26,320,000
General Obligation Bonds (Election of 2006, Series 2012A) ⁽⁴⁾	March 21, 2012	31,040,000
General Obligation Bonds (Election of 2006, Series 2012B) (Qualified School Construction Bonds)	March 21, 2012	23,960,000
General Obligation Bonds (Election of 2006, Series 2016A) ⁽⁵⁾	August 17, 2016	65,000,000
Total:		\$435,000,000

⁽¹⁾ The District’s 2016 General Obligation Refunding Bonds refunded, on a current basis, all of the District’s outstanding General Obligation Bonds (Election of 2006, Series 2006).

⁽²⁾ The District’s 2016 General Obligation Refunding Bonds refunded, on an advance basis, a portion of the District’s outstanding General Obligation Bonds (Election of 2006, Series 2009A).

⁽³⁾ The District’s General Obligation Crossover Refunding Bonds, (Measure B) 2017 Series D (Taxable) refunded, on an advance basis, a portion of the District’s outstanding Taxable General Obligation Bonds (Election of 2006, Series 2009B) (Build America Bonds).

⁽⁴⁾ The District’s General Obligation Refunding Bonds, (Measure B) 2017 Series B refunded, on an advance basis, a portion of the District’s outstanding General Obligation Bonds (Election of 2006, Series 2012A).

⁽⁵⁾ Subject to redemption in part and tender for purchase [or exchange] related to the issuance of the Refunding Bonds.

The following table shows bonds associated with the 2006 Measure B Authorization outstanding as of October 1, 2023.

Series Name	Issue Date	Outstanding Principal Amount
Taxable General Obligation Bonds (Election of 2006, Series 2009C) Qualified School Construction Bonds (Tax Credit Bonds)	August 12, 2009	\$
General Obligation Bonds (Election of 2006, Series 2012B) (Qualified School Construction Bonds)	March 21, 2012	
2016 General Obligation Refunding Bonds ⁽¹⁾	August 17, 2016	
General Obligation Bonds (Election of 2006, Series 2016A) ⁽¹⁾	August 17, 2016	
General Obligation Refunding Bonds, (Measure B) 2017 Series B ⁽¹⁾	May 25, 2017	
General Obligation Crossover Refunding Bonds, (Measure B) 2017 Series D (Taxable) ⁽¹⁾	May 25, 2017	
Total:		\$

⁽¹⁾ Subject to redemption in part and tender for purchase [or exchange] related to the issuance of the Refunding Bonds.

On November 6, 2012, the District received authorization to issue bonds of the District in an aggregate principal amount not to exceed \$475,000,000 (the “**2012 Measure J Authorization**”). The following table shows bonds issued under the 2012 Measure J Authorization and the respective issue dates and initial principal amounts. All of the bonds from the 2012 Measure J Authorization have been issued.

Series Name	Issue Date	Initial Principal Amount
General Obligation Bonds (Election of 2012, Series 2013) ⁽¹⁾	September 4, 2013	\$120,000,000
General Obligation Bonds (Election of 2012), Series 2015A ⁽²⁾	August 20, 2015	173,500,000
General Obligation Bonds (Election of 2012), Series 2015B	August 20, 2015	6,500,000
General Obligation Bonds (Election of 2012), Series 2019A ⁽²⁾	August 13, 2019	160,000,000
General Obligation Bonds (Election of 2012), Series 2019B	August 13, 2019	15,000,000
Total:		\$475,000,000

⁽¹⁾ The District’s General Obligation Refunding Bonds, (Measure J) 2017 Series C refunded, on an advance basis, a portion of the District’s outstanding General Obligation Bonds (Election of 2012, Series 2013).

⁽²⁾ Subject to redemption in part and tender for purchase [or exchange] related to the issuance of the Refunding Bonds.

The following table shows bonds associated with the 2012 Measure J Authorization outstanding as of October 1, 2023.

Series Name	Issue Date	Outstanding Principal Amount
General Obligation Bonds (Election of 2012, Series 2013) ⁽¹⁾	September 4, 2013	\$
General Obligation Bonds (Election of 2012), Series 2015A ⁽²⁾	August 20, 2015	
General Obligation Refunding Bonds, (Measure J) 2017 Series C ⁽²⁾	May 25, 2017	
General Obligation Bonds (Election of 2012), Series 2019A ⁽²⁾	August 13, 2019	
General Obligation Bonds (Election of 2012), Series 2019B	August 13, 2019	
2021 General Obligation Refunding Bonds (Federally Taxable)	November 3, 2021	
Total:		\$

⁽¹⁾ The District’s General Obligation Refunding Bonds, (Measure J) 2017 Series C refunded, on an advance basis, a portion of the District’s outstanding General Obligation Bonds (Election of 2012, Series 2013).

⁽²⁾ Subject to redemption in part and tender for purchase [or exchange] related to the issuance of the Refunding Bonds.

On November 3, 2020, the District received authorization to issue bonds of the District in an aggregate principal amount not to exceed \$735,000,000 (the “**2020 Measure Y Authorization**”). The following table shows bonds issued under the 2020 Measure Y Authorization and the respective issue dates and initial principal amounts. The Series 2023 Bonds will be the third issuance of bonds under the 2020 Measure Y Authorization. After the issuance of the Series 2023 Bonds, \$365,000,000* of authorization will remain under the 2020 Measure Y Authorization.

Series Name	Issue Date	Initial Principal Amount
General Obligation Bonds (Election of 2020), Series 2021A	November 3, 2021	\$150,240,000
General Obligation Bonds (Election of 2020), Series 2021B (Federally Taxable)	November 3, 2021	34,760,000
Total:		\$185,000,000

* Preliminary, subject to change.

The following table shows bonds associated with the 2020 Measure Y Authorization outstanding as of October 1, 2023.

Series Name	Issue Date	Outstanding Principal Amount
General Obligation Bonds (Election of 2020), Series 2021A	November 3, 2021	\$
Total:		\$

The District may seek additional bond authorization at a future election.

Voter-approved bonds are payable from an *ad valorem* property tax authorized to be levied by the County as necessary to repay the amounts coming due in each year. The District’s general fund is not pledged to repayment of these bonds. See “– Aggregate Debt Service Schedule” table below for the debt service requirements on all bonds outstanding, assuming no redemptions prior to maturity.

Tax and Revenue Anticipation Notes. Tax and revenue anticipation notes (“TRANs”) issued by the District are a general obligation of the District, payable from the general fund and any other lawfully available moneys. [The District last borrowed TRANs in fiscal year 2020-21.] The District does not plan to issue TRANs in fiscal year 2023-24.

District Lease Income

Lease Revenues. Lease agreements have been entered into by the District with various lessees for terms that exceed one year. None of the agreements contain purchase options. All of the agreements contain a termination clause providing for cancellation after a specified number of days written notice to lessors, but it is unlikely that the District will cancel any of the agreements prior to their expiration date.

The following table shows scheduled debt service obligations for all outstanding general obligation bonds of the District upon the issuance of the Bonds:

OAKLAND UNIFIED SCHOOL DISTRICT
(County of Alameda, California)
General Obligation Bonds, Aggregate Debt Service Schedule

Bond Year	Election of 2006, Series 2009C⁽¹⁾⁽²⁾	Election of 2006, Series 2012B⁽¹⁾⁽²⁾⁽³⁾	Election of 2006, Series 2016A	2016 Refunding	Election of 2012, Series 2013⁽³⁾	Election of 2012, Series 2015A	2015 Refunding	Refunding Bonds, 2017 Series A	Refunding Bonds, (Measure B) 2017 Series B
2023	\$2,622,224	\$1,716,122	\$4,407,250	\$15,768,750	\$2,015,050	\$13,146,250	\$18,501,500	\$17,814,500	\$2,680,000
2024	3,257,224	1,716,122	4,406,450	15,738,750	-	13,150,000	19,267,000	17,499,750	2,986,250
2025	-	1,716,122	4,407,250	20,012,000	-	13,160,000	21,756,000	13,371,750	2,923,500
2026	-	1,716,122	4,404,450	20,852,250	-	13,165,250	29,288,750	-	3,059,250
2027	-	1,716,122	4,403,050	21,499,250	-	13,175,250	8,925,000	-	3,128,500
2028	-	1,716,122	4,407,850	22,168,750	-	13,184,000	8,943,500	-	3,204,000
2029	-	1,716,122	4,407,350	22,881,000	-	13,190,750	9,022,750	-	3,275,000
2030	-	1,716,122	3,645,350	12,055,000	-	13,204,750	9,108,750	-	3,351,250
2031	-	1,716,122	4,274,600	12,148,500	-	13,209,750	-	-	3,427,000
2032	-	1,716,122	4,407,100	-	-	13,220,250	-	-	3,501,750
2033	-	2,391,823	4,407,100	-	-	13,235,000	-	-	-
2034	-	-	4,407,100	-	-	13,242,750	-	-	-
2035	-	-	4,406,900	-	-	13,257,750	-	-	-
2036	-	-	4,406,300	-	-	13,268,500	-	-	-
2037	-	-	4,405,100	-	-	13,284,000	-	-	-
2038	-	-	4,406,100	-	-	13,297,750	-	-	-
2039	-	-	4,403,650	-	-	13,313,500	-	-	-
2040	-	-	4,402,750	-	-	13,329,750	-	-	-
2041	-	-	4,403,250	-	-	-	-	-	-
2042	-	-	-	-	-	-	-	-	-
2043	-	-	-	-	-	-	-	-	-
2044	-	-	-	-	-	-	-	-	-
2045	-	-	-	-	-	-	-	-	-
2046	-	-	-	-	-	-	-	-	-
Total	\$5,879,448	\$19,553,043	\$82,818,950	\$163,124,250	\$2,015,050	\$238,035,250	\$124,813,250	\$48,686,000	\$31,536,500

⁽¹⁾ Columns may not sum to totals due to rounding.

⁽²⁾ Reflects Qualified School Construction Bonds sinking fund deposits by District rather than payments to bondholders.

⁽³⁾ Net of federal subsidies, as reduced by current sequestration rate.

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

OAKLAND UNIFIED SCHOOL DISTRICT
(County of Alameda, California)
General Obligation Bonds
Aggregate Debt Service Schedule (Continued)

Bond Year	Refunding Bonds, (Measure J) 2017 Series C⁽¹⁾	Crossover Refunding Bonds, (Measure B) 2017 Series D (Taxable)⁽¹⁾⁽²⁾	Election of 2012, Series 2019A	Election of 2020, Series 2021A	2021 General Obligation Refunding Bonds (Federally Taxable)	Election of 2020, Series 2023	Refunding Bonds, Series 2023A	Refunding Bonds, Series 2023B (Federally Taxable)	Aggregate Debt Service
2023	\$4,377,500	\$2,901,096	\$6,362,800	\$13,496,650	\$4,452,377				
2024	6,577,750	2,901,096	6,362,800	5,962,900	4,450,772				
2025	6,757,250	2,901,096	6,362,800	5,962,900	4,454,001				
2026	6,951,500	2,901,096	6,362,800	5,962,900	4,452,291				
2027	7,149,000	3,806,096	13,177,800	5,962,900	4,452,679				
2028	7,348,750	3,805,281	13,082,050	5,962,900	4,449,510				
2029	7,554,750	3,802,042	12,979,050	6,962,900	4,453,438				
2030	7,765,750	16,361,771	12,858,550	7,412,900	4,450,285				
2031	7,985,500	16,312,593	12,730,800	7,342,900	12,540,268				
2032	8,207,500	16,259,132	13,295,550	7,697,650	12,551,162				
2033	8,435,500	16,205,157	15,787,550	8,245,900	12,566,965				
2034	8,673,000	16,144,212	16,274,950	8,981,900	12,576,303				
2035	8,908,250	-	16,259,150	10,739,650	12,588,078				
2036	9,155,000	-	16,218,750	11,785,900	12,601,164				
2037	9,406,250	-	16,633,950	12,361,400	12,614,377				
2038	9,665,250	-	17,010,750	12,897,400	12,631,899				
2039	-	-	17,349,550	14,249,800	12,648,051				
2040	-	-	17,654,200	14,689,600	12,662,522				
2041	-	-	-	14,670,600	-				
2042	-	-	-	15,484,800	-				
2043	-	-	-	15,818,200	-				
2044	-	-	-	15,703,000	-				
2045	-	-	-	15,990,800	-				
2046	-	-	-	16,244,800	-				
Total	\$124,918,500	\$104,300,668	\$236,763,850	\$260,591,250	\$161,596,142				

⁽¹⁾ Columns may not sum to totals due to rounding.

⁽²⁾ Excludes debt service to be paid from the escrow fund.

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

Employees and Labor Relations

The District has budgeted to employ approximately 4,435.4 FTE employees, including 2,285.0 FTE certificated (teaching) employees, 1,636.5 FTE classified (non-teaching) employees and 513.9 management, supervisory and confidential employees in fiscal year 2023-24. For fiscal year 2022-23, the total certificated and classified payrolls for the general fund are estimated to be approximately \$260.9 million and \$119.5 million, respectively. For fiscal year 2023-24, the total certificated and classified payrolls for the general fund are projected to be approximately \$234.2 million and \$120.9 million, respectively.

The District works with six bargaining groups and unrepresented management/supervisory employees as follows:

Employee Group	Organization/Bargaining Unit	Number of FTE Employees	Contract Expiration
Certificated	Oakland Education Association	[]	June 30, 20[] ⁽¹⁾
Classified	Service Employees International Union	[]	June 30, 20[] ⁽¹⁾
Classified	American Federation of State, County and Municipal Employees	[]	June 30, 20[] ⁽¹⁾
Classified	Building and Construction Trades Council	[]	June 30, 20[] ⁽¹⁾
Classified	Teamsters	[]	June 30, 20[] ⁽¹⁾
Supervisory	United Administrators of Oakland Schools	[]	June 30, 20[] ⁽¹⁾

⁽¹⁾ Currently in negotiations.

Source: The District.

Retirement Benefits

The District participates in retirement plans with CalSTRS, which covers all full-time certificated District employees, and the State Public Employees' Retirement System ("CalPERS"), which covers certain classified employees. Classified school personnel who are employed four or more hours per day may participate in CalPERS.

CalSTRS. The CalSTRS defined benefit pension plan provides retirement benefits (generally 2% of final compensation for each year of credited service) to participating employees based on hiring date, age, final compensation and years of credited service. The CalSTRS benefit pension plan is funded through a combination of investment earnings and statutorily set contributions from participating employees, employers (including the District) and the State. Prior to fiscal year 2014-15, the statutorily set rates did not vary annually to adjust for funding shortfalls or actuarial surpluses. As a result, the combined employee, employer and State contributions to CalSTRS were not sufficient to pay actuarially determined amounts. To address the shortfall and implement a new funding strategy, Governor Brown signed into law Assembly Bill 1469 on June 24, 2014, as part of the fiscal year 2014-15 State budget (the "2014-15 State Budget"). The 2014-15 State Budget introduced phased increases to employee, employer and State contributions to CalSTRS and sets forth a plan to eliminate CalSTRS' unfunded liability by June 30, 2046.

The 2014-15 State Budget increased employee contributions, which were previously set at 8.00% of pay, to 10.25% of pay for members hired on or before December 31, 2012 and 9.205% of pay for members hired on or after January 1, 2013 effective July 1, 2016. On July 1, 2018, the rate increased to 10.250% of pay for employees hired on or after January 1, 2013. Employer contribution rates were also increased in fiscal year 2014-15 to 8.88% of payroll, with such rate increasing by 1.85% each year thereafter, plateauing at 19.10% of payroll in July 2020. However, due to supplemental payments of approximately \$850 million pursuant to the 2019-20 State Budget, employer contribution rates decreased from 18.13% to 17.10% in fiscal year 2019-20 and 19.10% to 18.40% in fiscal year 2020-21. In addition, pursuant to the 2020-21 State Budget, employer contribution rates are expected to decrease from 18.40% to approximately 16.15% in fiscal year 2020-21 and from 17.10% to approximately 16.92% in fiscal year 2021-22. The State's total contribution was increased from approximately 3% in fiscal year 2013-14 to 6.828% of payroll in fiscal year 2017-18, and to 10.828% of payroll in fiscal year 2020-21. The State's contribution includes

an annual payment of 2.5% of payroll pursuant to a supplemental inflation protection program. The District’s contribution rates in future fiscal years may be adjusted pursuant to the future state budgets.

The following table sets forth the District’s employer contributions to CalSTRS for fiscal years 2014-15 through 2021-22, the estimated contributed for fiscal year 2022-23 and the projected contribution for fiscal year 2023-24.

**Annual Regular CalSTRS Contributions
Fiscal Years 2014-15 through 2023-24**

Fiscal Year	District Contributions
2014-15	\$14,343,738
2015-16	19,117,248
2016-17	25,327,824
2017-18	27,776,318
2018-19	46,089,133
2019-20	33,614,522
2020-21	34,302,902
2021-22	38,231,291
2022-23	65,323,084 ⁽¹⁾
2023-24	65,849,949 ⁽²⁾

⁽¹⁾ Estimated, pursuant to the District’s unaudited actuals for fiscal year 2022-23. Includes on-behalf payments.

⁽²⁾ Projected. Includes on-behalf payments.

Source: The District.

The District’s total employer contributions to CalSTRS for fiscal years 2014-15 through 2021-22 were equal to 100% of the required contributions for each year. Pursuant to the 2014-15 State Budget, beginning in fiscal year 2021-22, the State Teachers Retirement Board is required to increase or decrease employer contribution rates to the rates designed to eliminate the CalSTRS unfunded liability by June 30, 2046. A decrease in investment earnings may result in increased employer contribution rates in order to timely eliminate the CalSTRS unfunded liability. The District cannot predict the impact of the COVID-19 pandemic on investment earnings and employer contribution rates. See “MISCELLANEOUS – Risks Related to COVID-19.” However, under existing law, the State Teachers Retirement Board may not increase the employer contribution rate by more than 1% in any fiscal year up to a maximum contribution rate of 20.25%. The State Teachers Retirement Board may also adjust the State’s contribution rate by a maximum of 0.5% from year to year, based on the funding status of the CalSTRS actuarially determined unfunded liability. The District is unable to predict what the amount of pension liabilities will be beyond the fiscal years set forth in AB 1469 or the amount the District will be required to pay for pension related costs, as these amounts are subject to future rate actions taken by CalSTRS. Accordingly, there can be no assurances that the District’s required contributions to CalSTRS will not significantly increase in the future above levels currently approved under State law.

The actuarial valuation for the entire CalSTRS defined benefit program as of June 30, 2022 (the “2022 CalSTRS Actuarial Valuation”) showed an estimated unfunded actuarial liability of \$88.6 billion, a decrease of approximately \$1.2 billion from the June 30, 2021 valuation. Such estimated unfunded actuarial liability was projected to increase in the June 30, 2021 valuation, which projected an unfunded actuarial liability of \$89.8 billion as of June 30, 2022. The actual unfunded actuarial liability as of June 30, 2022 represents a net actuarial gain of approximately \$1.3 billion. Such net actuarial gain is due primarily to member salary increases being more than assumed and market value returns (estimated at negative 2.4%) being less than assumed (7.0%). The funded ratios of the actuarial value of valuation assets over the actuarial accrued liabilities as of June 30, 2022 and June 30, 2021, based on the actuarial assumptions, were approximately 74.4% and 73.0%, respectively. According to the 2022 CalSTRS Actuarial Valuation, the funded ratio increased by 1.4% during the past year. As described in the 2022 CalSTRS Actuarial Valuation, the increase in the funded ratio is primarily due to the recognition of deferred investment gains from prior fiscal years that were used to offset the reported negative 2.4% return on investments on the market value of assets for fiscal year 2021-22, which is CalSTRS’ first negative return on investments since

fiscal year 2008-09. Other factors contributing to such increase include the additional State contributions made in the prior fiscal years and contributions to pay down the unfunded actuarial liability under the State Teachers' Retirement Board's valuation policy. Persistent negative returns on investments may result in increased employer contribution rates above the current level of expected increases. The District cannot predict the impact of State, national, and international events on investment returns and employer contribution rates or the amount the District will be required to pay for pension related costs. Accordingly, there can be no assurances that the District's required contributions to CalSTRS will not increase in the future, subject to the limitations of AB 1469.

The following are certain of the actuarial assumptions set forth in the 2022 CalSTRS Actuarial Valuation: measurement of accruing costs by the "Entry Age Normal Actuarial Cost Method," an assumed 7.00% investment rate of return for measurements subsequent to June 30, 2016, 3.00% interest on member accounts, 3.50% projected wage growth, and 2.75% projected inflation and demographic assumptions relating to mortality rates, length of service, rates of disability, rates of withdrawal, probability of refund, and merit salary increases. Future estimates of the actuarial unfunded liability may change due to market performance, legislative actions and other experience that may differ from the actuarial assumptions used for the CalSTRS valuation. The 2022 CalSTRS Actuarial Valuation also assumes that all members hired on or after January 1, 2013 are subject to the provisions of PEPRA (as defined herein). See "– California Public Employees' Pension Reform Act of 2013" below for a discussion of the pension reform measure signed by the Governor in September 2012 expected to help reduce future pension obligations of public employers with respect to employees hired on or after January 1, 2013.

CalSTRS produces a comprehensive annual financial report and actuarial valuations which include financial statements and required supplementary information. Copies of the CalSTRS comprehensive annual financial report and actuarial valuations may be obtained from CalSTRS. The information presented in these reports is not incorporated by reference in this Official Statement.

CalPERS. All qualifying classified employees of K-12 school districts in the State are members in CalPERS. All school districts contributing to CalPERS participate in the same plan and share the same contribution rate in each year. However, unlike contributions to CalSTRS, which incrementally increase at statutorily set rates, school districts' contributions to CalPERS fluctuate each year and include a normal cost component and a component equal to an amortized amount of the unfunded liability of CalPERS. Accordingly, the District cannot provide any assurances that the District's required contributions to CalPERS in future years will not significantly vary from any current projected levels of contributions to CalPERS.

CalPERS is funded by employee contributions and investment earnings, with the balance of the funding provided by employer contributions. School districts' contributions decrease when investment earnings rise and increase when investment earnings decline. As a result, declines in investment earnings may result in substantial increases in school district contributions. The District cannot make any predictions as to the effect of the outbreak of COVID-19, on investment earnings and school district contributions. See "MISCELLANEOUS – Risks Related to COVID-19" for more information about the impact of COVID-19. Participating employees enrolled in CalPERS prior to January 1, 2013 contribute 7.00% of their respective salaries, while participating employees enrolled after January 1, 2013 contribute the higher of fifty percent of normal costs of benefits or an actuarially determined rate of 7.00% in fiscal year 2019-20. School districts are required to contribute to CalPERS at an actuarially determined rate, which was 18.062% of eligible salary expenditures for fiscal year 2018-19 and originally 20.733% and 22.68% for fiscal years 2019-20 and 2020-21, respectively. However, the employer contribution rate for fiscal year 2019-20 was reduced to 19.721% as a result of the State's buydown of employer contribution rates in fiscal year 2019-20. Similarly, the 2020-21 State Budget allocated funding to buy down employer contribution rates in fiscal years 2020-21 and 2021-22 to an estimated 20.70% and 22.91%, respectively. The actuarially determined rate for employer contributions is expected to be 25.37% for fiscal year 2022-23.

The CalPERS Schools Pool Actuarial Valuation as of June 30, 2022 (the "2022 CalPERS Schools Pool Actuarial Valuation"), which has not been released in full, was presented in summary form to the Finance and Administration Committee of the CalPERS Board of Administration (the "CalPERS Committee") on April 17, 2023. Such summary reported an actuarial accrued liability of approximately \$117.0 billion with the market value of assets at approximately \$79.4 billion, and a funded status of approximately 67.9%. From June 30, 2021 to June 30, 2022, the funded status of the CalPERS Schools Pool decreased by approximately 10.4%, and the unfunded accrued

liability increased by approximately \$13.6 billion, largely due to the difference between the expected and actual rate of return on investments.

CalPERS reported a negative 7.50% (before recognition of administrative expenses) return on investments for fiscal year 2021-22, which is CalPERS’ first negative return on investments since fiscal year 2008-09. The negative 7.50% return on investments was less than the assumed annual rate of return on investments of 6.80%. Such negative return generated an actuarial investment loss of approximately \$12.40 billion, which will be amortized over 20 years with a five-year phase in, increasing the component of the expected employer contribution rate related to the unfunded liability contribution in fiscal year 2023-24 by 1.69% of payroll. Due to the five-year phase in, the component of the employer contribution rate related to the unfunded liability contribution will increase each year until it reaches an estimated 7.60% of payroll in fiscal year 2027-28. CalPERS, however, does not currently project that the total expected employer contribution rate will increase by 7.60% over the next five years, because the employer contribution rate consists of other components, which are affected by investment and non-investment factors, that are currently expected to offset, to some extent, the impact of the five-year phase in. Persistent negative returns on investments may result in increased employer contribution rates above the current level of expected increases reflected in the 2022 CalPERS Schools Pool Actuarial Valuation. The District cannot predict the impact of State, national, and international events on investment returns and employer contribution rates. Accordingly, there can be no assurances that the District’s required contributions to CalPERS will not significantly increase in the future.

The 2022 CalPERS Schools Pool Actuarial Valuation as summarized assumes, among other things, 2.30% inflation and payroll growth of 2.80% compounded annually. The 2022 CalPERS Schools Pool Actuarial Valuation as summarized reflects a discount rate of 6.80% compounded annually (net of administrative expenses) as of June 30, 2022. The CalPERS Board of Administration adopted new demographic assumptions on November 17, 2021, including a reduction in the discount rate from 7.00% as of June 30, 2020 to 6.80% as of June 30, 2021, a reduction in the inflation assumption from 2.50% as of June 30, 2020 to 2.30% as of June 30, 2021, and an increase in payroll growth from 2.75% as of June 30, 2020 to 2.80% as of June 30, 2021. Such assumption changes result in increases in both the normal cost and unfunded liabilities contributions to be paid in the future. The actuarial funding method used in the 2022 CalPERS Schools Pool Actuarial Valuation is the “Entry Age Normal Cost Method.”

The following table sets forth the District’s employer contributions to CalPERS for fiscal years 2014-15 through 2021-22, the estimated contributed for fiscal year 2022-23 and the projected contribution for fiscal year 2023-24.

**Annual CalPERS Regular Contributions
Fiscal Years 2014-15 through 2023-24**

Fiscal Year	District Contributions
2014-15	\$9,904,140
2015-16	10,461,331
2016-17	13,073,239
2017-18	14,728,715
2018-19	22,735,881
2019-20	18,947,422
2020-21	20,437,530
2021-22	23,905,516
2022-23	26,253,687 ⁽¹⁾
2023-24	31,413,654 ⁽²⁾

⁽¹⁾ Estimated, pursuant to the District’s unaudited actuals for fiscal year 2022-23.

⁽²⁾ Projected.

Sources: The District.

The District’s total employer contributions to CalPERS for fiscal years 2014-15 through 2021-22 were equal to 100% of the required contributions for each year. CalPERS produces a comprehensive annual financial report and actuarial valuations that include financial statements and required supplementary information. Copies of

the CalPERS comprehensive annual financial report and actuarial valuations may be obtained from CalPERS Financial Services Division. The information presented in these reports is not incorporated by reference in this Official Statement.

California Public Employees' Pension Reform Act of 2013. The Governor signed the California Public Employee's Pension Reform Act of 2013 (the "**Reform Act**" or "**PEPRA**") into law on September 12, 2012. The Reform Act affects both CalSTRS and CalPERS, most substantially as they relate to new employees hired after January 1, 2013 (the "**Implementation Date**"). As it pertains to CalSTRS participants hired after the Implementation Date, the Reform Act changes the normal retirement age, increasing the eligibility for the 2.0% "age factor" (the percent of final compensation to which an employee is entitled to for each year of service) from age 60 to 62 and increasing the eligibility of the maximum age factor of 2.4% from age 63 to 65. For non-safety CalPERS participants hired after the Implementation Date, the Reform Act changes the normal retirement age by increasing the eligibility for the 2.0% age factor from age 55 to 62 and also increases the eligibility requirement for the maximum age factor of 2.5% to age 67.

The Reform Act also implements certain other changes to CalPERS and CalSTRS including the following: (a) all new participants enrolled in CalPERS and CalSTRS after the Implementation Date are required to contribute at least 50% of the total annual normal cost of their pension benefit each year as determined by an actuary, (b) CalSTRS and CalPERS are both required to determine the final compensation amount for employees based upon the highest annual compensation earnable averaged over a consecutive 36-month period as the basis for calculating retirement benefits for new participants enrolled after the Implementation Date (currently 12 months for CalSTRS members who retire with 25 years of service), and (c) "pensionable compensation" is capped for new participants enrolled after the Implementation Date at 100% of the federal Social Security contribution and benefit base for members participating in Social Security or 120% for CalSTRS and CalPERS members not participating in social security.

The District is unable to predict what the amount of State pension liabilities will be in the future, or the amount of the contributions which the District may be required to make (except as already announced). CalSTRS and CalPERS liabilities are more fully described in APPENDIX C – "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2022." The District is not permitted to pay down its portion of retirement liability for CalSTRS or CalPERS.

HBGB. The Health Benefits Governing Board ("**HBGB**") was established in 2015 in order to contain District healthcare costs and is governed by the Health and Welfare Agreement (the "**HBGB Agreement**"), negotiated and signed as a tentative agreement among the HBGB members in May 2015 and approved by the Board of Education in October 2015 with an effective date of July 1, 2015. For further information, see "RISK FACTORS – District Financial Risks – *Healthcare Costs – HBGB.*"

Other Post-Employment Benefits (OPEBs). The District does not have any post-employment benefit obligations.

GASB 67 and 68. In June 2012, the Governmental Accounting Standards Board approved a pair of related statements, Statement Number 67, Financial Reporting for Pension Plans ("**Statement Number 67**"), which addresses financial reporting for pension plans, and Statement Number 68, Accounting and Financial Reporting for Pensions ("**Statement Number 68**"), which establishes new accounting and financial reporting requirements for governments that provide their employees with pensions. The guidance contained in these statements changed how governments calculated and reported the costs and obligations associated with pensions. Statement Number 67 replaced the requirements of Statement Number 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, for most public employee pension plans, and Statement Number 68 replaced the requirements of Statement Number 27, Accounting for Pensions by State and Local Governmental Employers, for most government employers. The new statements also replaced the requirements of Statement Number 50, Pension Disclosures, for those governments and pension plans. Certain of the major changes included: (i) the inclusion of unfunded pension liabilities on the government's balance sheet (such unfunded liabilities are currently typically included as notes to the government's financial statements); (ii) full pension costs would be shown as expenses regardless of actual contribution levels; (iii) lower actuarial discount rates would be required to be used for most plans for certain purposes of the financial statements, resulting in increased liabilities and pension

expenses; and (iv) shorter amortization periods for unfunded liabilities would be required to be used for certain purposes of the financial statements, which generally would increase pension expenses. Statement Number 67 became effective beginning in fiscal year 2013-14, and Statement Number 68 became effective beginning in fiscal year 2014-15.

Risk Management

Property and Liability. The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During the year, the District contracted with Northern California ReLiEF for property and liability insurance coverage. Northern California ReLiEF liability and property insurance coverage maintains a self-insurance retention of \$250,000 per occurrence, and excess coverage of \$500,250,000 and \$100,000 for liability per occurrence and a \$1,000,000 excess coverage limit. The District pays an annual contribution of \$3,300,000 to Northern California ReLiEF for its excess property and liability coverage. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in coverage to date.

Workers' Compensation. The District is permissibly self-insured for workers' compensation, and maintains a \$500,000 per occurrence self-insurance retention. Above that level, the District purchases excess insurance to the statutory maximums. There has not been a significant reduction in coverage from the prior year.

For more information regarding the District's risk management, see Note 8 to the District's financial statements attached hereto as APPENDIX C – "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2022."

Participation in Joint Powers Authorities and Other Related Party Transactions

Chabot Space & Science Center Joint Powers Authority. The District participates in the Chabot Space & Science Center Joint Powers Authority (the "**Chabot JPA**"). The Chabot JPA was established to provide quality science education to members of the community.

Youth Ventures Joint Powers Authority. The District also participates in the Youth Ventures Joint Powers Authority ("**Youth Ventures**"), a joint powers authority established to promote the education, health, well-being and economic viability of children, youth and families within the County. During the fiscal year ended June 30, 2022, the District allowed Youth Ventures to use buildings and classroom space in lieu of cash payments.

Northern California Regional Liability Excess Fund. The District is a member of the Northern California Regional Liability Excess Fund ("**NCR**"). NCR is a non-profit member-owned and operated Joint Powers Authority providing risk management services to California public schools. During the fiscal year ended June 30, 2022, the District made payments of \$3.3 million to NCR for insurance premiums.

For more information regarding the District's participation in joint powers authorities and other related party transactions, see Note 11 to the District's financial statements attached hereto as APPENDIX C – "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2022."

Charter Schools

Charter schools are largely independent schools operating as part of the public school system created pursuant to Part 26.8 (beginning with Section 47600) of Division 4 of Title 2 of the Education Code (the "**Charter School Law**"). A charter school is usually created or organized by a group of teachers, parents and community leaders, or a community-based organization, and may be approved by an existing local public school district, a county board of education or the State Board of Education. A charter school is generally exempt from the laws governing school districts, except where specifically noted in the law. The Charter School Law acknowledges that among its intended purposes are to (a) provide parents and students with expanded choices in the types of educational opportunities that are available within the public school system, (b) hold schools accountable for meeting measurable pupil outcomes and provide schools a way to shift from a rule-based to a performance-based

system of accountability and (c) provide competition within the public school system to stimulate improvements in all public schools.

A school district has certain fiscal oversight and other responsibilities with respect to both dependent and independent charter schools. Independent charter schools receive their funding directly from the State and are not included in a school district’s financial reports and audited financial statements and function like independent agencies, including having control over their staffing and budgets, which are received directly from the State. Dependent charter schools receive their funding from the school district and would be included in the school district’s financial reports and audited financial statements.

[There are thirty-nine independent charter schools operating in the District serving grades K through 12 with a combined enrollment of approximately [] in fiscal year 2023-24. There is one ACOE-dependent charter school in the District in fiscal year 2023-24. Of the thirty-nine independent charter schools projected to operate in the District for fiscal year 2023-24, [] have been granted charters by the District, [] have been granted charters by the ACOE, one has been granted its charter by the State Board of Education, and one has been granted its charter by Alameda Unified School District (but currently operates in the District).]

Charter schools receive revenues from the State for each student enrolled, and thus may cause a reduction in revenues available for students enrolled in District schools for those students who would otherwise be in District schools. However, certain per-pupil expenditures of the District also decrease based upon the number of students enrolled in charter schools. The District is required to accommodate charter school students originating in the District in facilities comparable to those provided to regular District students.

The following table shows total charter school enrollment for charter schools operating in the District’s geographic boundaries for fiscal years 2014-15 through 2023-24:

Fiscal Year	Number of Dependent Charter Schools	Number of Independent Charter Schools	Total Charter School Enrollment
2014-15	0	40	13,542
2015-16	0	45	14,517
2016-17	0	45	15,658
2017-18	1	44	16,070
2018-19	1	45	16,867
2019-20	1	45	16,991
2020-21	1	43	16,678
2021-22	1	42	15,963
2022-23	[]	[]	[]
2023-24	[]	[]	[]

Source: The District and California Department of Education DataQuest Enrollment Reports.

The District can make no representation as to whether enrollment at such charter schools may increase at the expense of District enrollment in future years, whether additional charter schools will be established within the territory of the District, or as to the impact these or other charter school developments may have on the District’s A.D.A. or finances in future years.

Assembly Bill 1505 (“**AB 1505**”) was enacted during 2019-20 California legislative session, which aims to slow the growth of charter schools. AB 1505 gives school districts increased leverage to deny applications for new charter schools by providing school districts additional discretion when authorizing charter schools to consider the number and enrollment in proposed charter schools, academic outcomes and offerings and a statement of need for the school. The District cannot predict the impact such legislation will have on its operations and finances.

CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS

Limitations on Revenues

On June 6, 1978, State voters approved Proposition 13 (“**Proposition 13**”), which added Article XIII A to the State Constitution (“**Article XIII A**”). Article XIII A limits the amount of any *ad valorem* tax on real property to 1% of the full cash value thereof, except that additional *ad valorem* taxes may be levied to pay debt service on (i) indebtedness approved by the voters prior to July 1, 1978, (ii) bonded indebtedness for the acquisition or improvement of real property which has been approved on or after July 1, 1978 by two-thirds of the voters on such indebtedness, and (iii) bonded indebtedness incurred by a school district or community college district for the construction, reconstruction, rehabilitation or replacement of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters of the district, but only if certain accountability measures are included in the proposition. Article XIII A defines full cash value to mean “the county assessor’s valuation of real property as shown on the 1975-76 tax bill under full cash value, or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership have occurred after the 1975 assessment.” This full cash value may be increased at a rate not to exceed 2% per year to account for inflation.

Article XIII A has subsequently been amended to permit reduction of the “full cash value” base in the event of declining property values caused by damage, destruction or other factors, to provide that there would be no increase in the “full cash value” base in the event of reconstruction of property damaged or destroyed in a disaster and in other minor or technical ways.

County of Orange v. Orange County Assessment Appeals Board No. 3. Section 51 of the State Revenue and Taxation Code permits county assessors who have reduced the assessed valuation of a property as a result of natural disasters, economic downturns or other factors, to subsequently “recapture” such value (up to the pre-decline value of the property) at an annual rate higher than 2%, depending on the assessor’s measure of the restoration of value of the damaged property. The constitutionality of this procedure was challenged in a lawsuit brought in 2001 in the Orange County Superior Court, and in similar lawsuits brought in other counties, on the basis that the decrease in assessed value creates a new “base year value” for purposes of Proposition 13 and that subsequent increases in the assessed value of a property by more than 2% in a single year violate Article XIII A. On appeal, the California Court of Appeal upheld the recapture practice in 2004, and the State Supreme Court declined to review the ruling, leaving the recapture law in place.

Legislation Implementing Article XIII A. Legislation has been enacted and amended a number of times since 1978 to implement Article XIII A. Under current law, local agencies are no longer permitted to levy directly any property tax (except to pay voter-approved indebtedness). The 1% property tax is automatically levied by the county and distributed according to a formula among taxing agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1989.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the 2% annual adjustment are allocated among the various jurisdictions in the “taxing area” based upon their respective “situs.” Any such allocation made to a local agency continues as part of its allocation in future years.

Beginning in the 1981-82 fiscal year, assessors in the State no longer record property values on tax rolls at the assessed value of 25% of market value which was expressed at \$4 per \$100 assessed value. All taxable property is now shown at full market value on the tax rolls. Consequently, the tax rate is expressed as \$1 per \$100 of taxable value. All taxable property value included in this Official Statement is shown at 100% of market value (unless noted differently) and all tax rates reflect the \$1 per \$100 of taxable value.

Proposition 19. Proposition 19, which was approved by the voters of the State on November 3, 2020, allows eligible homeowners to transfer their tax assessments anywhere within the State and allows tax assessments to be transferred to a more expensive home with an upward adjustment; requires that inherited homes that are not used as principal residences, such as second homes or rentals, be reassessed at market value when transferred; and allocates additional revenue or net savings resulting from the ballot measure to wildfire agencies and counties. The District is unable to predict the effect such measure may have on tax assessments within the District.

Article XIII B of the State Constitution

An initiative to amend the State Constitution entitled “Limitation of Government Appropriations” was approved on September 6, 1979, thereby adding Article XIII B to the State Constitution (“**Article XIII B**”). Under Article XIII B state and local governmental entities have an annual “appropriations limit” and are not permitted to spend certain moneys which are called “appropriations subject to limitation” (consisting of tax revenues, state subventions and certain other funds) in an amount higher than the “appropriations limit.” Article XIII B does not affect the appropriation of moneys which are excluded from the definition of “appropriations subject to limitation,” including debt service on indebtedness existing or authorized as of January 1, 1979, or bonded indebtedness subsequently approved by the voters. In general terms, the “appropriations limit” is to be based on certain 1978-79 expenditures, and is to be adjusted annually to reflect changes in consumer prices, populations, and services provided by these entities. Among other provisions of Article XIII B, if these entities’ revenues in any year exceed the amounts permitted to be spent, the excess would have to be returned by revising tax rates or fee schedules over the subsequent two years.

In fiscal year 2022-23, the District had an appropriations limit of \$[2022-23 Appropriations Limit] and appropriations subject to such limit of \$[2022-23 Subject to Limit]. The District has budgeted an appropriations limit in fiscal year 2023-24 of \$[2023-24 Appropriations Limit]. Any proceeds of taxes received by the District in excess of the allowable limit are absorbed into the State’s allowable limit.

Article XIII C and Article XIII D of the State Constitution

On November 5, 1996, the voters of the State of California approved Proposition 218, popularly known as the “Right to Vote on Taxes Act.” Proposition 218 added to the State Constitution Articles XIII C and XIII D (“**Article XIII C**” and “**Article XIII D**,” respectively), which contain a number of provisions affecting the ability of local agencies, including school districts, to levy and collect both existing and future taxes, assessments, fees and charges.

According to the “Title and Summary” of Proposition 218 prepared by the State Attorney General, Proposition 218 limits “the authority of local governments to impose taxes and property-related assessments, fees and charges.” Among other things, Article XIII C establishes that every tax is either a “general tax” (imposed for general governmental purposes) or a “special tax” (imposed for specific purposes), prohibits special purpose government agencies such as school districts from levying general taxes, and prohibits any local agency from imposing, extending or increasing any special tax beyond its maximum authorized rate without a two-thirds vote; and also provides that the initiative power will not be limited in matters of reducing or repealing local taxes, assessments, fees and charges. Article XIII C further provides that no tax may be assessed on property other than *ad valorem* property taxes imposed in accordance with Articles XIII and XIII A of the State Constitution and special taxes approved by a two-thirds vote under Article XIII A, Section 4. Article XIII D deals with assessments and property-related fees and charges, and explicitly provides that nothing in Article XIII C or XIII D will be construed to affect existing laws relating to the imposition of fees or charges as a condition of property development.

The District imposes parcel taxes which are subject to the provisions of Proposition 218. On February 5, 2008, voters within the District approved Measure G by a two-thirds vote, establishing an annual tax of \$195 per parcel within the District, with no expiration date. On November 4, 2014, voters within the District approved Measure N by a two-thirds vote, establishing an annual tax of \$120 per parcel within the District for each year between July 1, 2015 and June 30, 2025. On November 8, 2016, voters within the District approved Measure G1 by a two-thirds vote, establishing an annual tax of \$120 per parcel within the District for each year between July 1, 2017 and June 30, 2029. On November 8, 2022, voters within the District approved Measure H by a two-thirds vote, renewing the annual tax of \$120 per parcel within the District authorized pursuant to Measure N, for each year between July 1, 2023 and June 30, 2037. The District also receives a portion of the basic 1% *ad valorem* property tax levied and collected by the County pursuant to Article XIII A of the State Constitution. The provisions of Proposition 218 may have an indirect effect on the District, such as by limiting or reducing the revenues otherwise available to other local governments whose boundaries encompass property located within the District thereby causing such local governments to reduce service levels and possibly adversely affecting the value of property within the District.

Statutory Limitations

On November 4, 1986, State voters approved Proposition 62, an initiative statute limiting the imposition of new or higher taxes by local agencies. The statute: (a) requires new or higher general taxes to be approved by two-thirds of the local agency's governing body and a majority of its voters; (b) requires the inclusion of specific information in all local ordinances or resolutions proposing new or higher general or special taxes; (c) penalizes local agencies that fail to comply with the foregoing; and (d) required local agencies to stop collecting any new or higher general tax adopted after July 31, 1985, unless a majority of the voters approved the tax by November 1, 1988.

Appellate court decisions following the approval of Proposition 62 determined that certain provisions of Proposition 62 were unconstitutional. However, the California Supreme Court upheld Proposition 62 in its decision on September 28, 1995 in *Santa Clara County Transportation Authority v. Guardino*. This decision reaffirmed the constitutionality of Proposition 62. Certain matters regarding Proposition 62 were not addressed in the Supreme Court's decision, such as whether the decision applies retroactively, what remedies exist for taxpayers subject to a tax not in compliance with Proposition 62, and whether the decision applies to charter cities.

Proposition 98 and Proposition 111

On November 8, 1988, voters approved Proposition 98, a combined initiative constitutional amendment and statute called the "Classroom Instructional Improvement and Accountability Act" (the "**Accountability Act**"). The Accountability Act changed State funding of public education below the university level, and the operation of the State's Appropriations Limit. The Accountability Act guarantees State funding for K-12 school districts and community college districts (collectively, "**K-14 districts**") at a level equal to the greater of (a) the same percentage of general fund revenues as the percentage appropriated to such districts in 1986-87, which percentage is equal to 40.9%, or (b) the amount actually appropriated to such districts from the general fund in the previous fiscal year, adjusted for growth in enrollment and inflation.

Since the Accountability Act is unclear in some details, there can be no assurance that the Legislature or a court might not interpret the Accountability Act to require a different percentage of general fund revenues to be allocated to K-14 districts than the 40.9%, or to apply the relevant percentage to the State's budgets in a different way than is proposed in the Governor's Budget. In any event, the Governor and other fiscal observers expect the Accountability Act to place increasing pressure on the State's budget over future years, potentially reducing resources available for other State programs, especially to the extent the Article XIII B spending limit would restrain the State's ability to fund such other programs by raising taxes.

The Accountability Act also changes how tax revenues in excess of the State Appropriations Limit are distributed. Any excess State tax revenues up to a specified amount would, instead of being returned to taxpayers, be transferred to K-14 districts. Such transfer would be excluded from the Appropriations Limit for K-14 school districts and the K-14 school Appropriations Limits for the next year would automatically be increased by the amount of such transfer. These additional moneys would enter the base funding calculation for K-14 districts for subsequent years, creating further pressure on other portions of the State budget, particularly if revenues decline in a year following an Article XIII B surplus. The maximum amount of excess tax revenues which could be transferred to schools is 4% of the minimum State spending for education mandated by the Accountability Act, as described above.

On June 5, 1990, State voters approved Proposition 111 (Senate Constitutional Amendment 1), which further modified the State Constitution to alter the spending limit and education funding provisions of Proposition 98. Most significantly, Proposition 111 (1) liberalized the annual adjustments to the spending limit by measuring the "change in the cost of living" by the change in State per capita personal income rather than the Consumer Price Index, and specified that a portion of the State's spending limit would be adjusted to reflect changes in school attendance; (2) provided that 50% of the "excess" tax revenues, determined based on a two-year cycle, would be transferred to K-14 school districts with the balance returned to taxpayers (rather than the previous 100% but only up to a cap of 4% of the districts' minimum funding level), and that any such transfer to K-14 school districts would not be built into the school districts' base expenditures for calculating their entitlement for State aid in the following year and would not increase the State's appropriations limit; (3) excluded from the calculation of appropriations that are subject to the limit appropriations for certain "qualified capital outlay projects" and certain increases in gasoline taxes, sales and use taxes, and receipts from vehicle weight fees; (4) provided that the Appropriations Limit for each unit of government, including the State, would

be recalculated beginning in the 1990-91 fiscal year, based on the actual limit for fiscal year 1986-87, adjusted forward to 1990-91 as if Senate Constitutional Amendment 1 had been in effect; and (5) adjusted the Proposition 98 formula that guarantees K-14 school districts a certain amount of general fund revenues, as described below.

Under prior law, K-14 school districts were guaranteed the greater of (a) 40.9% of general fund revenues (the “**first test**”) or (b) the amount appropriated in the prior year adjusted for changes in the cost of living (measured as in Article XIII B by reference to per capita personal income) and enrollment (the “**second test**”). Under Proposition 111, school districts would receive the greater of (a) the first test, (b) the second test or (c) a third test, which would replace the second test in any year when growth in per capita general fund revenues from the prior year was less than the annual growth in State per capita personal income. Under the third test, school districts would receive the amount appropriated in the prior year adjusted for change in enrollment and per capita general fund revenues, plus an additional small adjustment factor. If the third test were used in any year, the difference between the third test and the second test would become a “credit” to be paid in future years when general fund revenue growth exceeds personal income growth.

Proposition 30 and Proposition 55

On November 6, 2012, voters approved Proposition 30, also referred to as the Temporary Taxes to Fund Education, Guaranteed Local Public Safety Funding, Initiative Constitutional Amendment. Proposition 30 temporarily (a) increased the personal income tax on certain of the State’s income taxpayers by one to three percent for a period of seven years from January 1, 2012 through the end of 2018, and (b) increased the sales and use tax by one-quarter percent for a period of four years from January 1, 2013 through the end of 2016. The revenues generated from such tax increases are included in the calculation of the Proposition 98 minimum funding guarantee (see “– Proposition 98 and Proposition 111” above). The revenues generated from such temporary tax increases are deposited into a State account created pursuant to Proposition 30 (the “**Education Protection Account**”), and 89% of the amounts therein are allocated to school districts and 11% of the amounts therein are allocated to community college districts.

The Proposition 30 sales and use tax increases expired at the end of the 2016 tax year. Under Proposition 30, the personal income tax increases were set to expire at the end of the 2018 tax year. However, the California Tax Extension to Fund Education and Healthcare Initiative (“**Proposition 55**”), approved by voters on November 8, 2016, extends by twelve years the temporary personal income tax increases on incomes over \$250,000 that was first enacted by Proposition 30; Proposition 55 did not extend the sales tax increases imposed by Proposition 30. Revenues from the tax increase will be allocated to school districts and community colleges in the State.

Applications of Constitutional and Statutory Provisions

The application of Proposition 98 and other statutory regulations has become increasingly difficult to predict accurately in recent years. For a discussion of how the provisions of Proposition 98 have been applied to school funding see “DISTRICT FINANCIAL MATTERS – State Funding of Education; State Budget Process.”

Proposition 2

General. Proposition 2, which included certain constitutional amendments to the State Rainy Day Fund and, upon its approval, triggered the implementation of certain provisions which could limit the amount of reserves that may be maintained by a school district, was approved by the voters in the November 2014 election.

State Rainy Day Fund. The Proposition 2 constitutional amendments related to the State Rainy Day Fund (i) require deposits into the State Rainy Day Fund whenever capital gains revenues rise to more than 8% of general fund tax revenues; (ii) set the maximum size of the State Rainy Day Fund at 10% of general fund revenues; (iii) for the next 15 years, require half of each year’s deposit to be used for supplemental payments to pay down the budgetary debts or other long-term liabilities and, thereafter, require at least half of each year’s deposit to be saved and the remainder used for supplemental debt payments or savings; (iv) allow the withdrawal of funds only for a disaster or if spending remains at or below the highest level of spending from the past three years; (v) require the State to provide a multi-year budget forecast; and (vi) create the Proposition 98 Rainy Day Fund to set aside funds in good years to minimize future cuts and smooth school spending. The State may deposit amounts into such account only after it has paid all amounts owing to school districts relating to the Proposition 98 maintenance factor for fiscal years prior to fiscal year 2014-15. The State,

in addition, may not transfer funds to the Proposition 98 Rainy Day Fund unless the State is in a Test 1 year under Proposition 98 or in any year in which a maintenance factor is created.

SB 858. SB 858 became effective upon the passage of Proposition 2. SB 858 includes provisions which could limit the amount of reserves that may be maintained by a school district in certain circumstances. Under SB 858, in any fiscal year immediately following a fiscal year in which the State has made a transfer into the Proposition 98 Rainy Day Fund, any adopted or revised budget by a school district would need to contain a combined unassigned and assigned ending fund balance that (a) for school districts with an A.D.A. of less than 400,000, is not more than two times the amount of the reserve for economic uncertainties mandated by the State Education Code, or (b) for school districts with an A.D.A. that is more than 400,000, is not more than three times the amount of the reserve for economic uncertainties mandated by the State Education Code. In certain cases, the county superintendent of schools may grant a school district a waiver from this limitation on reserves for up to two consecutive years within a three-year period if there are certain extraordinary fiscal circumstances.

The District, which has an A.D.A. of less than 400,000, is required to maintain a reserve for economic uncertainty in a minimum amount of 3% of its general fund expenditures and other financing uses.

SB 751. SB 751, enacted on October 11, 2017, alters the reserve requirements imposed by SB 858. Under SB 751, in a fiscal year immediately after a fiscal year in which the amount of moneys in the Proposition 98 Rainy Day Fund is equal to or exceeds 3% of the combined total general fund revenues appropriated for school districts and allocated local proceeds of taxes for that fiscal year, a school district budget that is adopted or revised cannot have an assigned or unassigned ending fund balance that exceeds 10% of those funds. SB 751 excludes from the requirements of those provisions basic aid school districts (also known as community funded districts) and small school districts having fewer than 2,501 units of average daily attendance.

The Bonds are payable from *ad valorem* taxes to be levied within the District pursuant to the State Constitution and other State law. Accordingly, the District does not expect SB 858 or SB 751 to adversely affect its ability to pay the principal of and interest on the Bonds as and when due.

Future Initiatives

Article XIII A, Article XIII B, Article XIII C, Article XIII D, as well as Propositions 2, 30, 55, 62, 98, 111 and 218 were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time other initiative measures could be adopted, further affecting District revenues or the District's ability to expend revenues.

APPENDIX C

**FINANCIAL STATEMENTS OF THE DISTRICT FOR THE
FISCAL YEAR ENDED JUNE 30, 2022**

APPENDIX D

PROPOSED FORMS OF OPINIONS OF BOND COUNSEL

[To come]

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the Oakland Unified School District (the “District”) in connection with the issuance of: \$_____ aggregate principal amount of Oakland Unified School District General Obligation Bonds (Election of 2020), Series 2023, \$_____ aggregate principal amount of Oakland Unified School District General Obligation Refunding Bonds, Series 2023A, and \$_____ aggregate principal amount of Oakland Unified School District General Obligation Refunding Bonds, Series 2023B (Federally Taxable) (collectively, the “Bonds”). The Bonds are being issued as authorized by a resolutions adopted by the Board of Education of the District on September 13, 2023 and [October 11], 2023, respectively (together, the “Resolutions”), and in accordance with the terms of each Paying Agent Agreement, each dated as of November 1, 2023 (together, the “Paying Agent Agreements”), and by and between the District and U.S. Bank Trust Company, National Association, as paying agent (the “Paying Agent”), and acknowledged by the County of Alameda.

The District covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule.

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

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

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

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

“Financial Obligation” shall mean, for purposes of the Listed Events set out in Section 5(a)(10) and Section 5(b)(8), a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “Financial Obligation” shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

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

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

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

“Official Statement” shall mean the Official Statement relating to the Bonds dated _____, 2023.

“Participating Underwriter” shall mean the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

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

SECTION 3. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent to, not later than nine months after the end of the District’s fiscal year (presently June 30), commencing with the Annual Report for the fiscal year of the District ending June 30, 2023 (which is due no later than April 1, 2024), provide to the Participating Underwriter and the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Each Annual Report must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB, and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the District may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. Neither the Paying Agent nor the Dissemination Agent shall have any duties or responsibilities with respect to the contents of the Annual Report. If the District’s fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5.

(b) Not later than fifteen (15) business days prior to the date specified in subsection (a) for providing the Annual Report to the MSRB, the District shall provide the Annual Report to the Dissemination Agent and the Paying Agent (if the Paying Agent is not the Dissemination Agent). If by such date, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the District and the Paying Agent to determine if the District is in compliance with the first sentence of this subsection (b). If the Paying Agent is unable to verify that an Annual Report has been provided to the MSRB by the date required in subsection (a), the Paying Agent shall send a notice, in electronic format, to the MSRB, such notice to be in substantially the form attached hereto as Exhibit A.

(c) If the Annual Report is delivered to the Dissemination Agent for filing, the Dissemination Agent shall file a report with the District and (if the Dissemination Agent is not the Paying Agent) the Paying Agent certifying that the Annual Report has been provided pursuant to this Disclosure Certificate and stating the date it was provided.

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

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

To the extent not included in the audited financial statements of the District, the Annual Report shall also include the following for the preceding fiscal year (except as noted otherwise):

- (1) Adopted budget of the District for the current fiscal year, or a summary thereof, and any interim budget reports approved as of the date of filing of the Annual Report;
- (2) General fund revenues, expenditures and a fund balance table;
- (3) District average daily attendance;

- (4) District outstanding debt (including amortization schedules);
- (5) Information regarding total assessed value of taxable properties within the District;
- (6) Information regarding the ten largest property owners based on assessed valuation within the District;
- (7) Information regarding total secured tax charges, collections and delinquencies on taxable properties within the District;
- (8) CalSTRS and CalPERS contributions; and
- (9) If and to the extent provided to the District by the County by no later than five (5) business days prior to the Annual Report due date, information regarding total assessed valuation and parcels by land use and assessed valuation of single family homes. If the information is provided at a date later than the Annual Report due date, then the District shall promptly file such information following its receipt via a supplement to the Annual Report.

The Annual Report may consist of one or more documents. Any or all of the items listed above may be set forth in one or a set of documents or may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which are available to the public on the MSRB website. If the document included by reference is a final official statement, it must be available from the MSRB. The District shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) The District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds not later than ten (10) business days after the occurrence of the event:

- 1. Principal and interest payment delinquencies;
- 2. Unscheduled draws on debt service reserves reflecting financial difficulties;
- 3. Unscheduled draws on credit enhancements reflecting financial difficulties;
- 4. Substitution of credit or liquidity providers, or their failure to perform;
- 5. Adverse tax opinions or issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB);
- 6. Tender offers;
- 7. Defeasances;
- 8. Rating changes;
- 9. Bankruptcy, insolvency, receivership or similar event of the obligated person; or
- 10. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the District, any of which reflect financial difficulties.

Note: For the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction

over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(b) The District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material, not later than ten (10) business days after the occurrence of the event:

1. Unless described in Section 5(a)(5), other material notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
2. Modifications to rights of Bond holders;
3. Optional, unscheduled or contingent Bond calls;
4. Release, substitution, or sale of property securing repayment of the Bonds;
5. Non-payment related defaults;
6. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;
7. Appointment of a successor or additional paying agent or the change of name of a paying agent; or
8. Incurrence of a Financial Obligation of the District, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the District, any of which affect holders of the Bonds.

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

(d) Whenever the District obtains knowledge of the occurrence of a Listed Event described in Section 5(b), the District shall determine if such event would be material under applicable federal securities laws.

(e) If the District learns of the occurrence of a Listed Event described in Section 5(a), or determines that knowledge of a Listed Event described in Section 5(b) would be material under applicable federal securities laws, the District shall within ten (10) business days of occurrence file a notice of such occurrence with the MSRB in electronic format, accompanied by such identifying information as is prescribed by the MSRB. Notwithstanding the foregoing, notice of the Listed Event described in Section 5(b)(3) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Paying Agent Agreements.

(f) The District intends to comply with the Listed Events described in Section 5(a)(10) and Section 5(b)(8), and the definition of "Financial Obligation" in Section 1, with reference to the rule, any other applicable federal securities laws and the guidance provided by the Securities and Exchange Commission in Release No. 34-83885 dated August 20, 2018 (the "2018 Release"), and any further amendments or written guidance provided by the Securities and Exchange Commission or its staff with respect to the amendments to the Rule effected by the 2018 Release.

SECTION 6. Termination of Reporting Obligation. The District's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the District shall give notice of such termination in the same manner as for a Listed Event under Section 5(e).

SECTION 7. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the District pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be Isom Advisors, a Division of Urban Futures, Inc.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

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

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

(c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the District shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the District. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(e), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the District shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the District to comply with any provision of this Disclosure Certificate any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Certificate; provided that any such action may be instituted only in Superior Court of the State of California in and for the County of Alameda or in U.S. District Court in or nearest to the County. The sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: _____, 2023

OAKLAND UNIFIED SCHOOL DISTRICT

By _____
Chief Business Officer

EXHIBIT A

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

Name of District: OAKLAND UNIFIED SCHOOL DISTRICT

Name of Bond Issue: OAKLAND UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION BONDS (ELECTION OF 2020), SERIES 2023

OAKLAND UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION REFUNDING BONDS, SERIES 2023A

OAKLAND UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION REFUNDING BONDS, SERIES 2023B (FEDERALLY TAXABLE)

Date of Issuance: _____, 2023

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

Dated: _____

OAKLAND UNIFIED SCHOOL DISTRICT

By _____ [to be signed only if filed]

APPENDIX F

**COUNTY OF ALAMEDA
ANNUAL INVESTMENT POLICY AND INVESTMENT REPORT**

The following information has been furnished by the Office of the Treasurer-Tax Collector, County of Alameda. It describes (i) the policies applicable to investment of District funds, including bond proceeds and tax levies, and funds of other agencies held by the County Treasurer-Tax Collector and (ii) the composition, carrying amount, market value and other information relating to the investment pool. Further information may be obtained directly from the Treasurer-Tax Collector, 1221 Oak Street, Room 131, Oakland, CA 94612.

APPENDIX G

BOOK-ENTRY ONLY SYSTEM

The information in this appendix has been provided by DTC for use in securities offering documents, and the District takes no responsibility for the accuracy or completeness thereof. The District cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute the Beneficial Owners either (a) payments of interest, principal or premium, if any, with respect to the Bonds or (b) certificates representing ownership interest in or other confirmation of ownership interest in the Bonds, or that they will so do on a timely basis or that DTC, DTC Direct Participants or DTC Indirect Participants will act in the manner described in this Official Statement.

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

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

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

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the

actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

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

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

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

APPENDIX H

[SPECIMEN MUNICIPAL BOND INSURANCE POLICY]