



**BOARD OF TRUSTEES
REGULAR BOARD MEETING**

Board of Trustees
Michael Allman
Melisse Mossy
Maureen "Mo" Muir
Katrina Young

Superintendent
Robert A. Haley, Ed.D.

**THURSDAY, APRIL 22, 2021
5:00 PM**

***Public participation will be remote and
live-stream will be available @ www.sduhsd.net.***
**District Office Board Room
710 Encinitas Blvd.
Encinitas, CA 92024**

This meeting will be held in accordance with Executive Orders N-29-20 and N-33-20, and the County of San Diego Health and Human Services Order of the Health Officer and Emergency Regulations issued on December 10, 2020. A copy of each order is available online at www.sduhsd.net and posted at 710 Encinitas Boulevard, Encinitas, CA. The meeting will be live-streamed and video recorded. The public live-stream link will be posted online at www.sduhsd.net prior to the start of the meeting. Members of the Board of Trustees will be permitted to participate virtually/telephonically.

Public comments for regular board meetings are restricted to action items and to the public comment/non-agenda item on the agenda before the Board of Trustees. Members of the public who wish to address the Board of Trustees may do so by submitting a request using this [form](#). This form will be available beginning at 1:00 p.m., April 20, 2021, and will close at 1:00 p.m. on April 21, 2021. Public comment will be limited to two (2) minutes per speaker and a total of 20 minutes per item. If there are more than 10 requests for any action or the public comment/non-agenda item, there will be a random selection of speakers made prior to the meeting that will be recorded. Speakers will be notified of selection prior to the start of the meeting.

Additional information and supporting documents that may be provided to the Board of Trustees prior to the start of the meeting, if provided, will be posted on the website at www.sduhsd.net.

AGENDA

1. CALL TO ORDER

- a. WELCOME
- b. PLEDGE OF ALLEGIANCE
- c. APPROVAL OF AGENDA

2. CONSIDERATION OF ADOPTION OF REVISED 2021 SCHOOL BOARD MEETING SCHEDULE / MAY MEETING DATE – public comment, if any

3. CLOSED SESSION – public comment, if any

- a. CONFERENCE WITH LABOR NEGOTIATORS (GOV'T CODE SECTION 54957.6)
Employee Organizations: San Dieguito Faculty Association / California School Employees Association
Agency Designated Representatives: Superintendent, Deputy Superintendent, and Associate Superintendents (3)
- b. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (GOV'T CODE SECTION 54957)

- Superintendent

4. RECONVENE TO OPEN SESSION (THE BOARD OF TRUSTEES WILL RECONVENE OR PROVIDE FURTHER NOTICE AFTER 30 MINUTES IN CLOSED SESSION)

- a. REPORT OUT OF CLOSED SESSION

5. REPORTS

- a. STUDENT BOARD MEMBERS
- b. BOARD OF TRUSTEES
- c. SUPERINTENDENT

6. RECOGNITION – SENIOR STUDENT STANDOUTS / FORMER TRUSTEE KRISTIN GIBSON**7. PRESENTATION – NONE SCHEDULED****8. PUBLIC COMMENT – NON-AGENDA ITEMS**

In accordance with the Brown Act, no discussion or action may be taken by the Board of Trustees on non-agenda items; however, the Board may 1) acknowledge receipt of the information; 2) refer the matter to staff for further study; or 3) refer the matter to a future agenda.

9. CONSENT AGENDA – *public comment, if any*

Members of the public are entitled to comment on items on the consent agenda. Trustees may ask for additional information regarding items on the consent agenda. Items on the consent agenda will be voted on in one motion unless a member of the board, staff or public requests that the item be removed and voted on separately, in which case the Board President will determine when it will be called and considered for action.

a. CONSENT AGENDA

- i. APPROVAL OF MINUTES (3) / MARCH 18, 2021 REGULAR MEETING & MARCH 24, AND 29, 2021 SPECIAL MEETINGS
- ii. APPROVAL/RATIFICATION OF AGREEMENTS & AMENDMENTS TO AGREEMENT
- iii. RATIFICATION OF PURCHASE ORDERS LISTING
- iv. RATIFICATION OF WARRANTS REPORT LISTING
- v. CONSIDERATION OF APPROVAL OF GUARANTEED MAXIMUM PRICE TORREY PINES HIGH SCHOOL I BUILDING MODERNIZATION AND NEW DIGITAL ARTS/ARTS CLASSROOM BUILDING PROJECT PART I
- vi. ACCEPTANCE OF WILLIAMS UNIFORM COMPLAINTS QUARTERLY REPORT, 3RD QTR, 2020-21 (JANUARY-MARCH)
- vii. APPROVAL/RATIFICATION OF PARENT SETTLEMENT AND RELEASE AGREEMENTS

b. CONSENT AGENDA

- i. APPROVAL/RATIFICATION OF PERSONNEL REPORTS

10. BOARD SERVICES ITEMS

- a. **REPORT REGARDING THE 2020-21 AND 2021-22 ACADEMIC YEARS REOPENING OF SCHOOLS, AND THE HOLDING OF EVENTS, CONSISTENT WITH THE CALIFORNIA DEPARTMENT OF PUBLIC HEALTH MANDATE/GUIDELINES AND THE SAN DIEGO COUNTY PUBLIC HEALTH ORDER – *public comment, if any***
- b. **CONSIDERATION OF APPROVAL OF EXTRACURRICULAR & CO-CURRICULAR PROBATION PERIOD / 2020-21 SCHOOL YEAR – *public comment, if any***
- c. **CONSIDERATION OF APPROVAL OF SAN DIEGO COUNTY OFFICE OF EDUCATION & SAN DIEGUITO COUNTYWIDE PLANS FOR SERVING EXPELLED STUDENTS – *public comment, if any***
- d. **CONSIDERATION OF ADOPTION OF RESOLUTION OF THE BOARD OF TRUSTEES OF SAN DIEGUITO UNION HIGH SCHOOL DISTRICT AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$84,960,000.00 AGGREGATE PRINCIPAL AMOUNT OF BONDS OF THE SAN DIEGUITO UNION HIGH SCHOOL DISTRICT - *public comment, if any***

- e. **CONSIDERATION OF ADOPTION OF RESOLUTION OF THE BOARD OF TRUSTEES OF SAN DIEGUITO UNION HIGH SCHOOL DISTRICT AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$130,000,000.00 AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION REFUNDING BONDS OF THE SAN DIEGUITO UNION HIGH SCHOOL DISTRICT - *public comment, if any***
- f. **CONSIDERATION OF ADOPTION OF THE RESOLUTION DECLARING MAY 2-8, 2021, “TEACHER APPRECIATION WEEK”, AND MAY 4, 2021, “DAY OF THE TEACHER” – *public comment, if any***
- g. **CONSIDERATION OF ADOPTION OF THE RESOLUTION DECLARING MAY 16-22, 2021, “CLASSIFIED SCHOOL EMPLOYEES WEEK” – *public comment, if any***
- h. **CONSIDERATION OF ACCEPTANCE OF GIFTS & DONATIONS – *public comment, if any***
- i. **CONSIDERATION OF PROVISIONAL APPOINTMENT OF BOARD MEMBER / TRUSTEE AREA 5 VACANCY – *public comment, if any***

11. INFORMATION ITEMS

- a. BUSINESS SERVICES – TINA DOUGLAS, ASSOCIATE SUPERINTENDENT
- b. HUMAN RESOURCES – CINDY FRAZEE, ASSOCIATE SUPERINTENDENT
- c. EDUCATIONAL SERVICES – BRYAN MARCUS, ASSOCIATE SUPERINTENDENT
- d. ADMINISTRATIVE SERVICES – MARK MILLER, DEPUTY SUPERINTENDENT
 - i. ENROLLMENT
- e. SUPERINTENDENT/DISTRICT – ROBERT A. HALEY, ED.D., SUPERINTENDENT
 - i. SPECIAL BOARD MEETING REGARDING FACILITIES
 - ii. POOL(S) FEASIBILITY COMMITTEE
 - iii. BOYS & GIRLS CLUB OF SAN DIEGUITO (GRISSET BRANCH) / SUBLET
 - iv. LA COSTA CANYON HIGH SCHOOL

12. FUTURE AGENDA ITEMS

13. ADJOURNMENT

The next regular Board Meeting is scheduled on [Thursday, May 20, 2021, at 3:00 PM](#), to be held at the SDUHSD District Office Board Room 101, subject to public health orders. The District Office is located at 710 Encinitas Blvd., Encinitas, CA, 92024.



BOARD MEETING PROTOCOL

Board of Trustees
Michael Allman
Melisse Mossy
Maureen "Mo" Muir
Katrina Young

Superintendent
Robert A. Haley, Ed.D.

The members of the San Dieguito Union High School District Board of Trustees are locally elected officials, serve four-year terms of office, and are responsible for the schools' educational programs, in grades seven through twelve. The Board is a policy-making body whose actions are guided by the District's vision, mission, and goals. Administration of the District is delegated to a professional administrative staff led by the Superintendent. Board Members are required to conduct the programs of the schools in accordance with the Constitution of the State of California, the California Education Code, and other laws relating to schools enacted by the Legislature, in addition to policies and procedures adopted by the Board of Trustees.

PUBLIC COMMENTS (Please see public comment process noted above.)

Members of the public are entitled to comment on action items listed on the agenda for Board consideration or deliberation. At the discretion of the Board President, members of the public are entitled to speak on agenda items either immediately after the item is called or following background information provided related to the item. Members of the public are entitled to comment on an agenda item only once at any meeting and may not have someone else speak or read on their behalf unless otherwise allowed by statute. Although the Board President may seek additional information, participation in debate on any item before the Board shall be limited to the Board and staff. The Board President shall determine the order of speakers, when the Board President calls a member of the public to the podium they are asked, but not required, to provide their names prior to making comments.

Members of the public are entitled to speak on matters within the jurisdiction of the Board, but not on the agenda during the public comment portion of the meeting. The Board President may acknowledge receipt of the information, refer to staff for further study, or refer the matter to a future agenda, but there shall be no discussion or action taken by the Board.

PUBLIC INSPECTION OF DOCUMENTS

In compliance with Government Code 54957.5, agenda-related documents that have been distributed to the Board less than 72 hours prior to the Board Meeting will be available for review on the district website, www.sduhsd.net and/or at the district office.

CONSENT CALENDAR

All matters listed under Consent are those on which the Board has previously deliberated or which can be classified as routine items of business. Members of the public are entitled to comment on items on the consent agenda. Trustees may ask for additional information regarding items on the consent agenda. Items on the consent agenda will be voted on in one motion unless a member of the board, staff or public requests that the item be removed and voted on separately, in which case the Board President will determine when it will be called and considered for action.

CLOSED SESSION

The Board may meet in Closed Session to consider qualified matters of litigation, employee negotiations, student discipline, employee grievances, personnel qualifications, and/or real estate negotiations which are timely.

CELL PHONES / ELECTRONIC DEVICES

As a courtesy to all meeting attendees, please set cell phones and electronic devices to silent mode and engage in conversations outside the meeting room.

In compliance with the Americans with Disabilities Act if you need special assistance, disability-related modifications, or accommodations, including auxiliary aids or services, in order to participate in the public meetings of the District's Governing Board, please contact the [Office of the Superintendent](#). Notification 72 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accommodation and accessibility to this meeting. Upon request the District shall also make available this agenda and all other public records associated with the meeting in appropriate alternative formats for persons with a disability.

Canyon Crest Academy • Carmel Valley MS • Diegueño MS • Earl Warren MS • La Costa Canyon HS
Oak Crest MS • Pacific Trails MS • San Dieguito HS Academy • Sunset HS • Torrey Pines HS

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: April 19, 2021

BOARD MEETING DATE: April 22, 2201

**PREPARED &
SUBMITTED BY:** Robert A. Haley, Ed.D., Superintendent

SUBJECT: CONSIDERATION OF ADOPTION OF REVISED 2021
REGULAR BOARD MEETING SCHEDULE / MAY
DATE

EXECUTIVE SUMMARY

The attached revised 2021 Regular Board Meeting Schedule is being provided for your consideration. This schedule proposes moving the May 20th regular board meeting one day earlier to May 19 at 3:00 p.m. This schedule complies with Education Code section 35143 requiring a Governing Board to set the date and time of regular meetings.

RECOMMENDATION:

It is recommended that the Board consider adopting the revised 2021 Regular Board Meeting Schedule, as shown in the attached supplement.

FUNDING SOURCE:

N/A



ITEM 2
Board of Trustees
Michael Allman
Melisse Mossy
Maureen "Mo" Muir
Katrina Young

Superintendent
Robert A. Haley, Ed.D.

710 Encinitas Boulevard, Encinitas, CA 92024
Telephone (760) 753-6491
www.sduhsd.net

Office of the Superintendent

San Dieguito Union High School District
School Board Meeting Dates, 2021
Proposed REVISED

School Board Meetings are held in the San Dieguito Union High School District Office Board Room 101, located at 710 Encinitas Blvd., Encinitas, California, 92024, subject to public health orders, and/or as otherwise indicated.

Regular Board Meetings begin at 3:00 pm or 5:00 pm and are scheduled on a Thursday, unless otherwise indicated.

MEETING DATES, 2021

Date	Time
January 14	3:00 pm
February 25	5:00 pm
March 18	3:00 pm
April 22	5:00 pm
May 20 <i>May 19 (Wednesday)</i>	3:00 pm
June 10	5:00 pm
June 17	3:00 pm
August 19	5:00 pm
September 16	3:00 pm
October 14	5:00 pm
November 18	3:00 pm
December 14 (<i>Tuesday</i>)	5:00 pm

*No regular Board meeting scheduled in July.

In compliance with the Americans with Disabilities Act, if you need special assistance, disability-related modifications, or accommodations, including auxiliary aids or services, in order to participate in the public meetings of the District's Governing Board, please contact the office of the [Office of the Superintendent](#). Notification 72 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accommodation and accessibility to this meeting. Upon request, the District shall also make available this agenda and all other public records associated with the meeting in appropriate alternative formats for persons with a disability.

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: April 16, 2021

BOARD MEETING DATE: April 22, 2021

**PREPARED &
SUBMITTED BY:** Robert A. Haley, Ed.D., Superintendent

SUBJECT: APPROVAL OF MINUTES / March 18, 2021
Regular Meeting & March 24, and 29, 2021
Special Meetings

EXECUTIVE SUMMARY

The minutes of the March 18, 2021 Regular Meeting & March 24, and 29, 2021 Special Meetings are being recommended for approval, as attached.

RECOMMENDATION:

It is recommended that the Board approve the minutes of the March 18, 2021 Regular Meeting & March 24, and 29, 2021 Special Meetings, as shown in the attached supplements.

FUNDING SOURCE:

Not applicable



**BOARD OF TRUSTEES
REGULAR BOARD MEETING
MINUTES**

Board of Trustees
Joyce Dalessandro
Kristin Gibson
Beth Hergesheimer
Melisse Mossy
Maureen "Mo" Muir

Superintendent
Robert A. Haley, Ed.D.

**THURSDAY, MARCH 18, 2021
3:00 PM**

**MEETING WAS HELD VIRTUALLY, AND IN-PERSON AT
District Office Board Room
710 Encinitas Blvd.
Encinitas, CA 92024**

ATTENDANCE

**Link to [video-recording](#).*

BOARD OF TRUSTEES

**Michael Allman
**Kristin Gibson
**Melisse Mossy
*Maureen "Mo" Muir
*Katrina Young

STUDENT BOARD REPRESENTATIVES

**Devon Hollingsworth, Sunset High School
**Cassie Miller, San Dieguito High School Academy
**Zander Samarasinghe, Torrey Pines High School
**Carrie Su, Canyon Crest Academy
Sarah Williams, La Costa Canyon High School (Absent)

DISTRICT ADMINISTRATORS / STAFF

*Robert A. Haley, Ed.D., Superintendent
*Mark Miller, Deputy Superintendent
*Tina Douglas, Associate Superintendent, Business Services
*Cindy Frazee, Associate Superintendent, Human Resources
*Bryan Marcus, Associate Superintendent, Educational Services
*Joann Schultz, Executive Assistant to the Superintendent / Recording Secretary

**Participated in the virtual meeting in-person at District Office located at 710 Encinitas Blvd., Encinitas, California, in accordance with Executive Orders N-29-20, N-33-20 and Public Health Executive Order issued on December 10, 2020.*

***Participated in the virtual meeting remotely.*

1. CALL TO ORDER

- a. WELCOME - President Muir called the meeting to order at 3:00 p.m. and announced the meeting was being held in accordance with State of California Executive Order N-29-20, N-33-20 and Public Health Officer regulations issued on December 10, 2020. She stated the public was given the opportunity to submit a request to speak at the board meeting.
- b. PLEDGE OF ALLEGIANCE – Cassie Miller led the Pledge of Allegiance.

2. APPROVAL OF AGENDA

Motion by Ms. Young, seconded by Ms. Muir, to approve the agenda of March 18, 2021, Regular Board Meeting of the San Dieguito Union High School District, as presented.

ADVISORY VOTE: Ayes: Hollingsworth, Miller, Samarasinghe, Su; Noes: None; Abstain: None; Absent: Williams. BOARD Ayes: Allman, Gibson, Mossy, Muir, Young; Noes: None; Abstain: None.

Motion unanimously carried.

3. CLOSED SESSION

PUBLIC COMMENT: Comments were made by Seema Burke, Glenn Collins, Evan Sorem and Molly.

President Muir announced the Board was convening to Closed Session to discuss:

- a. PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE (GOV'T CODE SECTIONS 11126 & 54957)

b. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (GOV'T CODE 54956.9)

Case Name: A.A., et al. v. Gavin Newsom, et al.; San Diego Superior Court Case Number 37-2021-00007536

4. RECONVENE TO OPEN SESSION

President Muir reconvened the meeting at 4:30 p.m. and announced there was nothing to report out of Closed Session.

5. REPORTS

a. STUDENT BOARD REPRESENTATIVES

Student board representatives shared highlights and events at their schools.

b. BOARD OF TRUSTEES

Ms. Gibson welcomed students back onto campus at Pacific Trails MS, Canyon Crest Academy and Carmel Valley MS, and met with staff and Ms. Young to review the board agenda.

Ms. Mossy met with student representatives from the Black Student Union and the Asian Student Union, attended the Parent Curriculum Advisory Committee meeting, and welcomed back students at San Dieguito HS Academy, Earl Warren NS, and Carmel Valley MS, as well as will be visiting Carmel Valley MS again and Diegueno MS.

Ms. Young attended the Black and Asian Student Union, the Parent Curriculum Advisory Committee meeting, and thanked admin teams, principals, classified staff and teachers, and visited Diegueno MS, La Costa Canyon HS, Sand Dieguito Academy, Torrey Pines HS and Oak Crest MS.

Mr. Allman visited school sites and reported on his interactions with Dr. Haley, students and parents when they returned to their schools.

Ms. Muir welcomed back students at school sites, and reported on the agenda review meetings that are held with board members.

c. SUPERINTENDENT

Dr. Haley thanked Brett Killeen and Garry Thornton for hosting the meeting with students, and reported on the student athletes that have returned to participating in sports, thanked Principal Coppo for sharing their site with him, welcomed back students at Pacific Trails MS and Canyon Crest Academy, and thanked the Trustees.

6. RECOGNITION – SENIOR STANDOUTS

Dr. Haley, Ms. Mossy and Mr. Marcus recognized the Torrey Pines High School Falcon athletes by sharing a video (*available upon request from the Superintendent's Office*).

7. PRESENTATION – NONE SCHEDULED

8. PUBLIC COMMENT – NON-AGENDA ITEMS

Comments were made by Jason Barry, Isabella Enfinger, Lisa Richey, Marianne Grosner, Evan Sorem, Maria Arias, and Molly.

9. CONSENT AGENDA

PUBLIC COMMENT: Comments were made by Evan Sorem.

a. **CONSENT AGENDA**

Motion by Ms. Mossy, seconded by Ms. Young, to approve Consent Agenda Item 9a, as presented.

i. APPROVAL OF MINUTES (2) / FEBRUARY 25, 2021 REGULAR MEETING & MARCH 9, 2021 SPECIAL MEETING

ii. APPROVAL/RATIFICATION OF AGREEMENTS & AMENDMENTS TO AGREEMENTS

- iii. RATIFICATION OF PURCHASE ORDERS LISTING
- iv. RATIFICATION OF WARRANTS REPORT LISTING
- v. APPROVAL TO ISSUE NOTICE TO PROCEED WITH ABATEMENT AND DEMOLITION / TORREY PINES HIGH SCHOOL, I BLDG MODERNIZATION & NEW DIGITAL ARTS/ARTS CLASSROOM BUILDING PROJECT
- vi. APPROVAL/RATIFICATION OF PARENT SETTLEMENT AND RELEASE AGREEMENTS

ADVISORY VOTE: Ayes: Hollingsworth, Miller, Samarasinghe, Su; Noes: None; Abstain: None; Absent: Williams. BOARD Ayes: Allman, Gibson, Mossy, Muir, Young; Noes: None; Abstain: None.

Motion unanimously carried.

b. **CONSENT AGENDA**

Motion by Ms. Gibson, seconded by Ms. Young, to approve Consent Agenda Item 9b, as presented.

- i. APPROVAL/RATIFICATION OF PERSONNEL REPORTS

BOARD Ayes: Allman, Gibson, Mossy, Muir, Young; Noes: None; Abstain: None.

Motion unanimously carried.

10. ACTION ITEMS

a. **CONSIDERATION AND ACTION REGARDING THE 2020-21 ACADEMIC YEAR REOPENING OF SCHOOLS CONSISTENT WITH THE CALIFORNIA DEPARTMENT OF PUBLIC HEALTH MANDATE/GUIDELINES AND THE SAN DIEGO COUNTY PUBLIC HEALTH ORDER**

PUBLIC COMMENT: Comments were made by Jason Barry, Seema Burke, Kerily McEvoy, Allison Stratton, Lisa Richey, Evan Sorem, Molly, and Amanda Davies.

Dr. Haley and staff provided an update on the reopening of schools. He also reported on the pending lawsuit process.

President Muir announced that the Board is directing the superintendent to implement a 2 days per week model beginning March 22nd as the next step in reopening schools. A special meeting will be held on March 22 to plan and prepare for the next response as we plan and prepare for general in-person instruction. Following the statement, she gave each Trustee an opportunity to voice their support.

b. **CONSIDERATION OF ATHLETIC TRAINER SERVICES**

PUBLIC COMMENT: Comments were made by Allison Stratton.

Dr. Haley and Mr. Miller provided information on this item.

Motion by Mr. Allman, seconded by Ms. Mossy, to approve directing staff to develop a new Request for Proposals to solicit services from other vendors for athletic trainer services for each high school for the 21-22 school year.

The Board asked questions of staff and held a discussion.

The motion was withdrawn by Mr. Allman.

**The Board took a 10-minute break during this item at 6:16 p.m.*

**Kristin Gibson left the meeting at 6:19 p.m.*

Motion by Ms. Muir, seconded by Ms. Mossy, to direct staff to start the process of creating a new athletic trainer position through the Personnel Commission for the 21-22 school year.

The Board asked questions of staff and held a discussion.

ADVISORY VOTE: Ayes: Hollingsworth, Miller, Samarasinghe, Su; Noes: None; Abstain: None; Absent: Williams. BOARD Ayes: Allman, Mossy, Muir, Young; Noes: None; Abstain: None; Absent: Gibson.

Motion unanimously carried.

c. CONSIDERATION OF ACCEPTANCE OF 2019-20 ANNUAL AUDIT

Motion by Mr. Allman, seconded by Ms. Young, to accept the 2019-20 annual audit of the San Dieguito Union High School District, as prepared by Wilkinson, Hadley, King, & Co. LLP, as presented.

ADVISORY VOTE: Ayes: Hollingsworth, Miller, Samarasinghe, Su; Noes: None; Abstain: None; Absent: Williams. BOARD Ayes: Allman, Mossy, Muir, Young; Noes: None; Abstain: None; Absent: Gibson.

Motion unanimously carried.

d. CONSIDERATION OF APPROVAL AND CERTIFICATION OF THE 2020-21, 2ND INTERIM BUDGET

PUBLIC COMMENT: Comments were made by Seema Burke.

Motion by Ms. Young, seconded by Mr. Allman, to certify the 2020-21 Second Interim Income and Expenditures, as presented.

ADVISORY VOTE: Ayes: Hollingsworth, Miller, Samarasinghe, Su; Noes: None; Abstain: None; Absent: Williams. BOARD Ayes: Allman, Mossy, Muir, Young; Noes: None; Abstain: None; Absent: Gibson.

Motion unanimously carried.

e. CONSIDERATION OF ADOPTION OF RESOLUTION TO IDENTIFY THE AMOUNT OF BUDGET ADJUSTMENTS NEEDED IN 2022/23 CONSIDERATION OF ACCEPTANCE OF GIFTS & DONATIONS

PUBLIC COMMENT: Comments were made by Seema Burke.

Motion by Ms. Young, seconded by Ms. Mossy, to adopt the Resolution Identifying the Amount of Budget Adjustments Needed in 2022-23, as presented.

ADVISORY VOTE: Ayes: Hollingsworth, Miller, Samarasinghe, Su; Noes: None; Abstain: None; Absent: Williams. BOARD Ayes: Allman, Mossy, Muir, Young; Noes: None; Abstain: None; Absent: Gibson.

Motion unanimously carried.

f. CONSIDERATION OF REAPPOINTMENT / APPOINTMENT OF INDEPENDENT CITIZENS OVERSIGHT COMMITTEE MEMBERS

Motion by Ms. Mossy, seconded by Ms. Young, to reappoint members Robin Duveen, Amy Flicker, Diane Chau, Peter Chu and Lucienne McCauley; and appoint new committee applicants, Gary Aguirre, Lane Macy Kiefaber, Lakshmi Kommi, and Kevin DeHaan to the Independent Citizens Oversight Committee beginning April 1, 2021.

ADVISORY VOTE: Ayes: Hollingsworth, Miller, Samarasinghe, Su; Noes: None; Abstain: None; Absent: Williams. BOARD Ayes: Allman, Mossy, Muir, Young; Noes: None; Abstain: None; Absent: Gibson.

Motion unanimously carried.

g. CONSIDERATION OF APPROVAL OF LOCAL CONTROL ACCOUNTABILITY PLAN (LCAP) FEDERAL ADDENDUM

Motion by Ms. Young, seconded by Mr. Allman, to approve the Local Control Accountability Plan Federal Addendum Update, as presented.

ADVISORY VOTE: Ayes: Hollingsworth, Miller, Samarasinghe, Su; Noes: None; Abstain: None; Absent: Williams. BOARD Ayes: Allman, Mossy, Muir, Young; Noes: None; Abstain: None; Absent: Gibson.

Motion unanimously carried.

h. CONSIDERATION OF ACCEPTANCE OF GIFTS & DONATIONS

Motion by Ms. Young, seconded by Ms. Mossy, to accept the gifts and donations to the district, as presented.

ADVISORY VOTE: Ayes: Hollingsworth, Miller, Samarasinghe, Su; Noes: None; Abstain: None; Absent: Williams. BOARD Ayes: Allman, Mossy, Muir, Young; Noes: None; Abstain: None; Absent: Gibson.

Motion unanimously carried.

11. INFORMATION AND DISCUSSION ITEMS

a. BUSINESS SERVICES – TINA DOUGLAS, ASSOCIATE SUPERINTENDENT

Ms. Douglas provided an update on:

i. LA COSTA CANYON HIGH SCHOOL THEATER PROJECT/GRANT

b. HUMAN RESOURCES – CINDY FRAZEE, ASSOCIATE SUPERINTENDENT

Ms. Frazee had nothing to report.

c. EDUCATIONAL SERVICES – BRYAN MARCUS, ASSOCIATE SUPERINTENDENT

Mr. Marcus thanked the Coordinating Council members, instructional specialists and Teachers on Special Assignment, reported on the summer school program, and provided an update on:

i. INDEPENDENT STUDY PHYSICAL EDUCATION E (ISPE) PROCESS & UPDATE

d. ADMINISTRATIVE SERVICES – MARK MILLER, DEPUTY SUPERINTENDENT

Mr. Miller reported on COAST Academy students started the Community Based Instruction.

e. SUPERINTENDENT/DISTRICT – ROBERT A. HALEY, ED.D., SUPERINTENDENT

Dr. Haley reported on the following:

i. DISTRICT SOCIAL MEDIA PAGES/PRIVATE SOCIAL MEDIA PAGES

12. FUTURE AGENDA ITEMS – SPECIAL MEETING ON WEDNESDAY, MARCH 24 @ 5:00 PM.

13. ADJOURNMENT

The meeting adjourned at 6:55 p.m.

Katrina Young, Board Clerk

Date: April 22, 2021

Robert A. Haley, Ed.D., Superintendent

Date: April 22, 2021

MINUTES ADOPTED:



**BOARD OF TRUSTEES
SPECIAL MEETING
MINUTES**

Board of Trustees
Michael Allman
Melisse Mossy
Maureen "Mo" Muir
Katrina Young

Superintendent
Robert A. Haley, Ed.D.

**WEDNESDAY, MARCH 24, 2021
5:00 PM**

**MEETING WAS HELD VIRTUALLY AND IN-PERSON AT
District Office Board Room
710 Encinitas Blvd.
ENCINITAS, CA 92024**

The Governing Board of the San Dieguito Union High School District held a Special Meeting on Wednesday, March 24, 2021, virtually.

*[Link to video-recording.](#)

ATTENDANCE / BOARD OF TRUSTEES & STUDENT BOARD MEMBERS:

*Michael Allman	<i>Devon Hollingsworth, Sunset High School (Absent)</i>
*Melisse Mossy	<i>Cassie Miller, San Dieguito High School Academy (Absent)</i>
*Maureen "Mo" Muir	<i>Zander Samarasinghe, Torrey Pines High School (Absent)</i>
**Katrina Young	Carrie Su, Canyon Crest Academy Sarah Williams, La Costa Canyon High School

ATTENDANCE / DISTRICT MANAGEMENT:

*Robert A. Haley, Ed.D., Superintendent
**Mark Miller, Deputy Superintendent
*Tina Douglas, Associate Superintendent, Business Services
*Cindy Frazee, Associate Superintendent, Human Resources
*Bryan Marcus, Associate Superintendent, Educational Services
*Joann Schultz, Executive Assistant to the Superintendent / Recording Secretary
**Participated in the virtual meeting in-person at the District Office, located at 710 Encinitas Blvd, Encinitas, California, in accordance with Executive Orders N-29-20, N-33-20 and Public Health Executive Order issued on December 10, 2020.*
***Participated in the virtual meeting remotely.*

1. CALL TO ORDER

a. WELCOME / MEETING PROTOCOL REMARKS

President Muir called the meeting to order at 5:00 p.m. Ms. Muir announced the public was given the opportunity to submit a request to make public comments prior to the start of the meeting.

b. PLEDGE OF ALLEGIANCE

Carrie Su led the Pledge of Allegiance.

c. APPROVAL OF AGENDA

Motion by Mr. Allman, seconded by Ms. Mossy, to approve the agenda of March 24, 2021 Special Meeting of the San Dieguito Union High School District, as presented.

ADVISORY VOTE: Ayes: Su; Noes: None; Abstain: None; Absent: Hollingsworth, Miller, Samarasinghe, Williams. BOARD Ayes: Allman, Mossy, Muir, Young; Noes: None; Abstain: None.

Motion unanimously carried.

2. CLOSED SESSION

**Sarah Williams joined the meeting during this item.*

PUBLIC COMMENTS: Comments were made by Michele Macosky, Cynthia Rajsbaum, Bryn Faris, Heather Dugdale, Evan Sorem, Carol, Matthew Davis, and Robyne Ruterbusch.

The Board convened to Closed Session at 5:25 p.m. to discuss the following:

- a. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (GOVERNMENT CODE SECTION 54956.9(d)(1))

Case Name: A.A., et al. v. Gavin Newsom, et al.; San Diego Superior Court Case Number 37-2021-00007536

3. REPORT OUT OF CLOSED SESSION

President Muir reconvened the meeting at 8:00 p.m., and there was nothing to report out from Closed Session.

4. CONSIDERATION OF ADOPTION OF RESOLUTION REGARDING THE EXPANDED REOPENING OF SCHOOLS FOR THE REMAINDER OF THE 2020-21 SCHOOL YEAR AND THE 2021-22 SCHOOL YEAR

PUBLIC COMMENTS: Comments were made by Michele Macosky, Bryn Faris, Heather Dugdale, Carol, Heidi Lee, Lisa Richey, Kimberly M, Adam Fischer, Tara, and Jason Barry.

Motion by Ms. Mossy, seconded by Ms. Young, for the Superintendent to bring back a Resolution for consideration and approval at a Special Board meeting next Monday, March 29, 2021 at 5:00 p.m., that effective April 12, 2021, the District will provide all students the opportunity to attend school for in-person instruction four (4) days per week, and effective on the first day of the 2021-2022 school year, the District shall provide all students the opportunity for in-person instruction five (5) days a week and the District's base instructional model will be in-person instruction.

ADVISORY VOTE: Ayes: Williams; Noes: Su; Abstain: None; Absent: Hollingsworth, Miller, Samarasinghe. BOARD Ayes: Allman, Mossy, Muir, Young; Noes: None; Abstain: None.

Motion unanimously carried.

5. ADJOURNMENT

The meeting was adjourned at 8:39 p.m.

Katrina Young, Board Clerk

April 22, 2021

Robert A. Haley, Ed.D., Superintendent

April 22, 2021

MINUTES ADOPTED:



**BOARD OF TRUSTEES
SPECIAL MEETING
MINUTES**

Board of Trustees
Michael Allman
Melisse Mossy
Maureen "Mo" Muir
Katrina Young

Superintendent
Robert A. Haley, Ed.D.

**WEDNESDAY, MARCH 29, 2021
5:00 PM**

**MEETING WAS HELD VIRTUALLY AND IN-PERSON AT
District Office Board Room
710 Encinitas Blvd.
ENCINITAS, CA 92024**

The Governing Board of the San Dieguito Union High School District held a Special Meeting on Monday, March 29, 2021, virtually.

**Link to [video-recording](#).*

ATTENDANCE / BOARD OF TRUSTEES & STUDENT BOARD MEMBERS:

*Michael Allman	**Devon Hollingsworth, Sunset High School
**Melisse Mossy	**Cassie Miller, San Dieguito High School Academy
*Maureen "Mo" Muir	<i>Zander Samarasinghe, Torrey Pines High School (Absent)</i>
*Katrina Young	**Carrie Su, Canyon Crest Academy
	**Sarah Williams, La Costa Canyon High School

ATTENDANCE / DISTRICT MANAGEMENT:

*Robert A. Haley, Ed.D., Superintendent
*Mark Miller, Deputy Superintendent
*Tina Douglas, Associate Superintendent, Business Services
*Cindy Frazee, Associate Superintendent, Human Resources
*Bryan Marcus, Associate Superintendent, Educational Services
*Joann Schultz, Executive Assistant to the Superintendent / Recording Secretary
**Participated in the virtual meeting in-person at the District Office, located at 710 Encinitas Blvd, Encinitas, California, in accordance with Executive Orders N-29-20, N-33-20 and Public Health Executive Order issued on December 10, 2020.*
***Participated in the virtual meeting remotely.*

1. CALL TO ORDER

a. WELCOME / MEETING PROTOCOL REMARKS

President Muir called the meeting to order at 5:00 p.m. Ms. Muir announced the public was given the opportunity to submit a request to make public comments prior to the start of the meeting.

b. PLEDGE OF ALLEGIANCE

Sarah Williams led the Pledge of Allegiance.

c. APPROVAL OF AGENDA

Motion by Ms. Young, seconded by Mr. Allman, to approve the agenda of March 29, 2021, Special Meeting of the San Dieguito Union High School District, as presented.

ADVISORY VOTE: Ayes: Hollingsworth, Miller, Su, Williams; Noes: None; Abstain: None; Absent: Samarasinghe. BOARD Ayes: Allman, Mossy, Muir, Young; Noes: None; Abstain: None.

Motion unanimously carried.

2. CLOSED SESSION

PUBLIC COMMENTS: Comments were made by Heather Dugdale, Lisa Richey, Jason Barry, Ann Cerny, Kerily McEvoy, Jen Charat, Jeremy, Justin, Susanne, and Holly.

President Muir announced the Resolution for Item 4 is posted on the website. The Board convened to Closed Session at 5:25 p.m. to discuss the following:

- a. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (GOVERNMENT CODE SECTION 54956.9(d)(1))

Case Name: A.A., et al. v. Gavin Newsom, et al.; San Diego Superior Court Case Number 37-2021-00007536

3. REPORT OUT OF CLOSED SESSION

President Muir reconvened the meeting at 6:00 p.m., and reported the Board took action in closed session by a 3 to 1 vote, with Trustees Michael Allman, Melisse Mossy and Mo Muir voting yes, and Trustee Katrina Young voting no, to approve a settlement agreement with Plaintiffs in the AA v. Newsom, et al. lawsuit. The settlement agreement provides that the Board of Trustees will adopt a resolution regarding the expanded reopening of schools for the 2020-21 and 2021-22 school years. In exchange, Plaintiffs will dismiss their lawsuit, with prejudice, against the District and release all claims against the District regarding the reopening of school. The motion carried.

4. CONSIDERATION OF ADOPTION OF RESOLUTION REGARDING THE EXPANDED REOPENING OF SCHOOLS FOR THE REMAINDER OF THE 2020-21 SCHOOL YEAR AND THE 2021-22 SCHOOL YEAR

PUBLIC COMMENTS: Comments were made by Heather Dugdale, Lisa Richey, Tracy Cereghino, Michele Macosky, Siena Randall, Ann Cerny, Justin, Susanne, Anonymous, and Jeremy.

Motion by Mr. Allman, seconded by Ms. Mossy, to adopt the Resolution regarding the expanded reopening of schools for the 2020-21 school year and the 2021-22 school year, as presented.

The Board held a discussion.

ADVISORY VOTE: Ayes: Hollingsworth, Williams; Noes: Miller, Su; Abstain: None; Absent: Samarasinghe. BOARD Ayes: Allman, Mossy, Muir; Noes: Young; Abstain: None.

Motion carried.

5. CONSIDERATION AND ACTION REGARDING THE SAN DIEGO COUNTY PUBLIC HEALTH ORDER / QUARANTINE REQUIREMENTS

PUBLIC COMMENTS: Comments were made by Carol, Lisa Richey, Ann Cerny, Adam Fischer, Matthew DAVIS, Cynthia Edgerly, Carrie Bishop, Jennifer Daniel-Duckering, and Holly.

Dr. Haley provided an update.

The Board asked questions of staff.

6. CONSIDERATION AND ACTION REGARDING TRUSTEE AREA 5 VACANCY

PUBLIC COMMENTS: Comments were made by Lisa Richey, Adam Fischer, Matthew Davis, Carrie Bishop, Andie Gately, Jen Charat, Kimberly McSherry, Molly, Emanuele Rimini, and Jennifer Daniel-Duckering.

The Board asked questions of staff and held a discussion on whether to appoint a candidate or call for a special election to fill the Trustee Area 5 board member vacancy.

Motion by Mr. Allman, seconded by Ms. Muir, to adopt a resolution to have immediately pursue an appointment and to have that done on April 22, 2021.

BOARD Ayes: Allman, Mossy, Muir; Noes: Young; Abstain: None.

Motion carried.

7. ADJOURNMENT

The meeting was adjourned at 8:07 p.m.

Katrina Young, Board Clerk

April 22, 2021

Robert A. Haley, Ed.D., Superintendent

April 22, 2021

MINUTES ADOPTED:

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: April 12, 2021

BOARD MEETING DATE: April 22, 2021

PREPARED BY: Debra Kelly, Director of Purchasing
Tina Douglas, Associate Superintendent,
Business Services

SUBMITTED BY: Robert A. Haley, Ed.D., Superintendent

SUBJECT: APPROVAL / RATIFICATION OF
PROFESSIONAL SERVICES AGREEMENTS /
AMENDMENTS TO AGREEMENTS

EXECUTIVE SUMMARY

The attached Report summarizes agreements / amendments to agreements from district departments.

RECOMMENDATION:

It is recommended that the Board approve/ratify the agreements/amendments to agreements, as shown in the attached Report.

FUNDING SOURCE:

As noted on the attached report.

2020\21 Approval/Ratification of Agreements
April 22, 2021 Board Meeting

ITEM 9a-ii

Agreements Recommended for Board Approval

#	DEPARTMENT	AGREEMENT VENDOR	DESCRIPTION OF SERVICES	FUNDING SOURCE	AMOUNT NOT TO EXCEED	START DATE	END DATE
1	Educational Services	22nd District Agricultural Association	Lease of facilities for AP testing plus labor & equipment rental fees.	General Fund / Unrestricted 01-00	\$27,900.00	05/03/21	05/17/21
2	Special Education	Ro Health	Provide non-public agency (NPA) services to special education students per an IEP.	General Fund/ Restricted 01-00	NCCSE approved rates	03/30/21	06/30/21
3	Business Services	California IT in Education	Full Service Data Privacy Agreement Program. Student Data Privacy Services, 3 year contract with annual payment option.	General Fund / Unrestricted 01-00	\$250.00 start-up fee plus \$3,000 annually	04/22/21	05/31/24
4	Educational Services	Gorilla Services	Cleaning services at Del Mar Fairgrounds during AP testing in May.	General Fund / Unrestricted 01-00	\$907.50	05/04/21	05/17/21
5	Educational Services	Swell DJ Productions	Provide sound and visual DJ equipment and services for Canyon Crest Academy graduation procession.	General Fund / Unrestricted 01-00	\$6,690.00	06/09/21	06/12/21
6	Educational Services	San Diego Police Department	Provide Special Event Traffic Controllers and public safety enforcement at Canyon Crest Academy & Torrey Pines High School graduation processions.	General Fund / Unrestricted 01-00	\$2,236.00	06/10/21	06/11/21
7	Educational Services	Allied Universal Event Services	Provide Security Guard services at Canyon Crest Academy graduation procession.	General Fund / Unrestricted 01-00	\$3,001.00	06/10/21	06/11/21
8	Educational Services	American Medical Response	Provide medical support services at Canyon Crest Academy graduation procession.	General Fund / Unrestricted 01-00	\$618.00	06/11/21	06/11/21
9	Educational Services	Raphael's Party Rentals	Estimated graduation expenses to provide rental equipment and services for 2021 graduation ceremonies district-wide.	General Fund / Unrestricted 01-00	\$40,000.00	06/09/21	06/12/21
10	Administrative Services	California Department of Public Health	Provide laboratory testing of samples for SARS-CoV-2 using the Abbott BinaxNOW antigen test.	General Fund / Unrestricted 01-00	NA	From date of contract execution	Until thirty (30) days after the lifting of the declaration of the COVID-19 state of emergency
11	Business Services	Magdalena Ecke Family YMCA (Ecke)	Ratification of lease of facilities for La Costa Canyon High School Boys & Girls Water Polo and Boys & Girls Swim Team programs	General Fund / Unrestricted 01-00	\$11,500.00	04/19/21	06/19/21
12	Educational Services	Abbey Party Rents	Estimated graduation expenses to provide rental equipment and services for 2021 graduation ceremonies district-wide.	General Fund / Unrestricted 01-00	\$13,000.00	06/10/21	06/11/21
13	Educational Services	Forecast5 Analytics	Three year agreement to provide licenses to Cast, Sight and Lab software to use data analytics to make strategic decisions to align budgeting to improve student outcomes.	General Fund/ Restricted 01-00	\$14,780.00 one-time implementation fee plus \$76,600 for year 1 (\$79,725 for years 2 and 3)	07/01/21	06/30/24
14	Facilities Planning & Construction	Roesling Nakamura Terada Architects	Provide architectural/engineering services for replacement of roofs and mechanical equipment at the Carmel Valley Middle School.	Fund 40-00	\$700,000.00 plus reimbursable expenses	03/19/21	Upon Completion
15	Facilities Planning & Construction	Trimark Associates, Inc.	Prove data management services for the solar meters district wide.	General Fund Unrestricted 01-00	\$9,345.00	06/01/21	5/31/2024
16	Facilities Planning & Construction	De La Fuente Construction, Inc.	CB2021-07 Oak Crest Middle School Modernization of Buildings C and I Project.	Mello-Roos Funds	\$1,706,200.00	04/23/21	07/30/21
17	Facilities Planning & Construction	Mobile Modular	Six month rental of two (2) 8x40 storage units at Diegueno Middle School for technology.	General Fund Unrestricted 01-00	\$2,092.89	04/13/21	10/12/21
18	Facilities Planning & Construction	Cumming	Provide cost estimating services to update master plan budgets.	Capital Facilities Fund 25-18	\$3,500.00 Plus Reimbursable Expenses	04/23/21	Upon Completion

**2020-21 Approval/Ratification of Amendments to Agreements
April 22, 2021 Board Meeting**

ITEM 9a-ii

Amendments to Agreements Recommended for Board Approval

#	DEPARTMENT	AGREEMENT VENDOR	DESCRIPTION OF SERVICES	FUNDING SOURCE	AMENDED AMOUNT	AMOUNT NOT TO EXCEED	START DATE	END DATE
1	Business Services	SOL Transportation, LLC	Amending the contract for Special Education Transportation, extending the contract for an additional year with no additional changes to the contract other than rate increase as specified.	General Fund/ Unrestricted 01-00	N/A	At 2.31% increase from the rates established in the original agreement	05/16/21	05/15/22
2	Business Services	HopSkipDrive, Inc.	Amending the contract for Special Education Transportation, extending the contract for an additional year with no other changes to the contract.	General Fund/ Unrestricted 01-00	N/A	At the rates established in the agreement	05/16/21	05/15/22
3	Business Services	ALC Schools, LLC	Amending the contract for Special Education Transportation, extending the contract for an additional year with no additional changes to the contract other than rate increase as specified.	General Fund/ Unrestricted 01-00	N/A	At 2.25% increase from the rates established in the original agreement	05/16/21	05/15/22
4	Business Services	CAV, Inc. dba Care A Van	Amending the contract for Special Education Transportation, extending the contract for an additional year with no other changes to the contract.	General Fund/ Unrestricted 01-00	N/A	At the rates established in the agreement	05/16/21	05/15/22
5	Business Services	Elite Show Services	Amending the contract for Overnight grounds patrol services at four high schools to adjust the rates for Event Staff (Crew) with no other changes to the contract.	General Fund/ Unrestricted 01-00	N/A	At the rates established in the amendment	N/A	06/30/21
6	Facilities Planning & Construction	Ruhnau Clarke	Amend contract CA2020-35 for architectural/engineering services for Diegueno Middle School modernization of Buildings, C, D, F, K and Cougar Hall.	Building Fund Prop 39 -- Fund 21-39, Mello Roos Funds	\$315,000.00	\$587,500.00 Plus Reimbursable Expenses	10/16/20	Upon Completion
7	Facilities Planning & Construction	Ruhnau Clarke	Amend contract CA2020-20 for architectural/engineering services for improvements to the existing District Office.	Capital Facilities Fund 25-19, Fund 21-09 & Fund 40-00	\$15,000.00	\$272,673.00	02/28/20	Upon Completion
8	Facilities Planning & Construction	Haas F1 Team	Purchase of Computer Numerical Control (CNC) machine with one year warranty for Torrey Pines High School Maker Space.	Mello-Roos Funds	N/A	\$53,671.43	03/19/21	Upon Completion
9	Facilities Planning & Construction	3 Degrees	Amend contract CA2016-19 for the purchase of the District's Renewable Energy Certificates (REC's) for solar energy installations at no cost impact to the District.	N/A	\$10.00/REC	N/A	04/22/16	Upon Completion
10	Facilities Planning & Construction	3 Degrees	Amend contract CA2016-12 for the purchase of prior generation Renewable Energy Certificates (REC's) from the District. (Purchase of calendar year 2014 REC's.)	N/A	\$0.50/REC	N/A	02/19/16	Upon Completion
11	Facilities Planning & Construction	McGriff Insurance Services	Amend contract CA2021-37 increasing the premium on the builder's risk insurance policy for the Torrey Pines High School I Building Modernization Project Part 1.	Building Fund Prop 39 -- Fund 21-39, Mello- Roos Funds	\$1,117.00	\$14,347.00	04/05/21	01/22/22

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: April 16, 2021

BOARD MEETING DATE: April 22, 2021

PREPARED BY: Tina Douglas, Associate Superintendent,
Business Services

SUBMITTED BY: Robert A. Haley, Ed.D., Superintendent

SUBJECT: RATIFICATION OF PURCHASE ORDERS
LISTING

EXECUTIVE SUMMARY

Please find the attached Purchase Orders listing submitted for your ratification.

RECOMMENDATION:

It is recommended that the Board ratify the purchase orders listing, as shown in the attached supplement.

FUNDING SOURCE:

Not applicable.

ITEM 9a-iii

PO REPORT MARCH 4, 2021 THROUGH APRIL 7, 2021						
PO NBR	FUND	VENDOR	SITE	OPERATING UNIT	DESCRIPTION	AMOUNT
0000016792	0100	HOUGHTON MIFFLIN HARCOURT, MCDOUGAL	Assoc Supt.Of Ed Services	District Wide	Books Other Than Textbooks	\$ 42.28
0000016793	0100	BRIGHTVIEW TREE CARE SERVICES INC	Facilities Planning & Constr.	Torrey Pines High School	Land Improvements	\$ 10,946.00
0000016794	0100	RASIX COMPUTER CENTER INC	Fiscal Services	District Wide	Materials And Supplies	\$ 240.06
0000016795	0100	SONSRAY MACHINERY LLC	Transportation	District Wide	Materials-Vehicle Parts	\$ 1,000.00
0000016796	0100	LOWES	Schools-Formula	Oak Crest Middle School	Materials And Supplies	\$ 715.46
0000016797	0100	A O REED	Maintenance & Operation	District Wide	Repairs & Maintenance	\$ 988.37
0000016798	0100	STAPLES ADVANTAGE	Assoc Supt.Of Ed Services	District Wide	Printing	\$ 18,232.18
0000016799	0100	AMAZON CAPITAL SERVICES, INC.	Special Ed	District Wide	Materials And Supplies	\$ 450.00
0000016800	0100	RIVERSIDE INSIGHTS	Special Ed	District Wide	Materials And Supplies	\$ 64.64
0000016801	0100	Raptor Technologies, LLC	Technology	District Wide	Materials And Supplies	\$ 730.55
0000016801	0100	Raptor Technologies, LLC	Technology	District Wide	Non-Capitalized Equipment	\$ 1,066.73
0000016802	0100	ENCINITAS, CITY OF	Maintenance & Operation	District Wide	Sewer Charges	\$ 54,721.98
0000016803	2139	CROSS CIVIL ENGINEERING	Facilities Planning & Constr.	20/21Dno Bldgs C&D Modernization	Improvements	\$ 4,300.00
0000016804	2139	LSA & ASSOCIATES, INC.	Facilities Planning & Constr.	20/21 Sda Pkg Lot/Play Court	Land Improvements	\$ 3,710.00
0000016805	4000	BARNHART-REESE CONSTRUCTION, INC.	Facilities Planning & Constr.	20/21Do Architect/Eng Services	Improvements	\$ 2,382,156.00
0000016806	4000	BARNHART-REESE CONSTRUCTION, INC.	Facilities Planning & Constr.	20/21Do Architect/Eng Services	Improvements	\$ 5,970.00
0000016807	0100	LOWES	Schools-Formula	La Costa Canyon High Sch	Materials And Supplies	\$ 911.57
0000016808	2139	DIGITAL NETWORKS GROUP	Facilities Planning & Constr.	1213 Phase I Bldg Prgm-Dw	Technology Equipment	\$ 21,903.65
0000016809	0100	WALLATEES	Special Ed	District Wide	Materials And Supplies	\$ 1,000.00
0000016810	0100	MAXIM HEALTHCARE SERVICES INC	Special Ed	District Wide	Professional/Consult Svcs	\$ 8,086.72
0000016811	0100	New Haven Youth & Family Services	Special Ed	District Wide	Other Contr-N.P.A.	\$ 13,412.90
0000016812	0100	LAW OFFICE OF MEAGAN NUNEZ	Special Ed	District Wide	Mediation Settlements	\$ 11,000.00
0000016813	0100	SSID# 6153915824	Special Ed	District Wide	Other Serv.& Oper.Exp.	\$ 2,600.00
0000016814	0100	SSID #4634052423	Special Ed	District Wide	Other Serv.& Oper.Exp.	\$ 3,490.00
0000016815	0100	DEPT OF INDUSTRIAL RELATIONS	Maintenance & Operation	District Wide	Fees - Business, Admission,Etc	\$ 225.00
0000016816	0100	SAN DIEGO CO AIR POLLUTION CONTROL DIST	Transportation	District Wide	Fees - Business, Admission,Etc	\$ 287.00
0000016817	0100	TOOLS4EVER	Technology	District Wide	Computer Licensing	\$ 10,189.80
0000016818	0100	DCJ THEATRICAL LIGHTING INC	Maintenance & Operation	District Wide	Repairs & Maintenance	\$ 111.25
0000016820	0100	HOUGHTON MIFFLIN HARCOURT, MCDOUGAL	Assoc Supt.Of Ed Services	District Wide	Computer Licensing	\$ 22,100.00
0000016821	0100	CART MART INC	Schools-Formula	Torrey Pines High School	Repairs & Maintenance	\$ 244.80
0000016822	0100	CASBO	Transportation	District Wide	Conference,Workshop,Sem.	\$ 530.00
0000016823	0100	MISSION LINEN SUPPLY	Transportation	District Wide	Materials And Supplies	\$ 3,500.00
0000016824	0100	ESTR PUBLICATIONS	Special Ed	District Wide	Materials And Supplies	\$ 47.10
0000016825	0100	T-Mobile USA, Inc.	Technology	District Wide	Computer Licensing	\$ 7,200.00
0000016826	0100	Repl.it, Inc.	Special Programs	District Wide	Computer Licensing	\$ 3,000.00
0000016827	0100	MACGILL DISCOUNT SCHOOL NURSE	Schools-Formula	Torrey Pines High School	Materials And Supplies	\$ 124.33
0000016828	0100	STAPLES ADVANTAGE	Schools-Formula	Torrey Pines High School	Materials And Supplies	\$ 44.38
0000016829	0100	AMAZON CAPITAL SERVICES, INC.	Schools-Formula	Pacific Trails Middle School	Materials And Supplies	\$ 2,500.00
0000016830	0100	AREY JONES ED SOLUTIONS	Technology	District Wide	Materials And Supplies	\$ 1,343.59
0000016832	0100	LOWES	Schools-Non-Formula	Pacific Trails Middle School	Materials And Supplies	\$ 398.94
0000016833	0100	STAPLES ADVANTAGE	Human Resources	District Wide	Materials And Supplies	\$ 300.00
0000016834	0100	HOME DEPOT CREDIT SERVICES	Schools-Non-Formula	Pacific Trails Middle School	Materials And Supplies	\$ 108.74
0000016835	4000	GROUNDLEVEL LANDSCAPE ARCHITECTURE, INC.	Facilities Planning & Constr.	2021CF Ew Stevens Slope Improvements	Land Improvements	\$ 15,865.00
0000016836	0100	RANAR MFG CO INC	Special Programs	District Wide	Materials And Supplies	\$ 392.11
0000016837	0100	RYONET CALIFORNIA	Special Programs	District Wide	Materials And Supplies	\$ 905.36
0000016838	0100	COUNTY OF SAN DIEGO	Maintenance & Operation	District Wide	Fees - Business, Admission,Etc	\$ 76.50
0000016839	0100	WAXIE SANITARY SUPPLY	Maintenance & Operation	District Wide	Materials And Supplies	\$ 12,000.00
0000016840	0100	VISTA TREE SERVICE INC	Maintenance & Operation	District Wide	Other Serv.& Oper.Exp.	\$ 500.00
0000016841	0100	GREATSOIL LLC	Maintenance & Operation	Earl Warren Middle School	Land Improvements	\$ 11,960.25
0000016842	0100	BARKSHIRE LASER LEVELING INC	Maintenance & Operation	Earl Warren Middle School	Land Improvements	\$ 2,500.00
0000016843	0100	SEASIDE HEATING AND AIR COND	Facilities Planning & Constr.	San Dieguito Academy	Improvements	\$ 24,990.00
0000016844	0100	AMAZON CAPITAL SERVICES, INC.	Technology	District Wide	Materials And Supplies	\$ 9,262.73
0000016845	0100	AMAZON CAPITAL SERVICES, INC.	Technology	District Wide	Non-Capitalized Tech Equipment	\$ 12,355.13
0000016846	0100	ROGUE FITNESS	Schools-Formula	Canyon Crest Academy	Materials And Supplies	\$ 1,036.64
0000016847	0100	AMAZON CAPITAL SERVICES, INC.	Schools-Non-Formula	Pacific Trails Middle School	Materials And Supplies	\$ 3,000.00
0000016848	0100	AMAZON CAPITAL SERVICES, INC.	Maintenance & Operation	District Wide	Materials And Supplies	\$ 1,700.00
0000016849	0100	STAPLES ADVANTAGE	Schools-Formula	Diegueno Middle School	Materials And Supplies	\$ 500.00
0000016850	0100	STAPLES ADVANTAGE	Schools-Formula	Diegueno Middle School	Materials And Supplies	\$ 500.00
0000016851	0100	ARBOR SCIENTIFIC	Schools-Non-Formula	Pacific Trails Middle School	Materials And Supplies	\$ 275.91
0000016852	0100	VISTA TREE SERVICE INC	Maintenance & Operation	District Wide	Other Serv.& Oper.Exp.	\$ 2,850.00
0000016853	0100	HORIZON LIGHTING INC	Maintenance & Operation	District Wide	Repairs & Maintenance	\$ 5,976.86
0000016854	0100	LAB AIDS	Schools-Non-Formula	Pacific Trails Middle School	Materials And Supplies	\$ 1,138.15
0000016855	0100	SAN DIEGO MUSIC STUDIO	Fiscal Services	District Wide	Materials And Supplies	\$ 9,257.11
0000016856	0100	WACAC	Assoc Supt.Of Ed Services	District Wide	Conference,Workshop,Sem.	\$ 100.00
0000016857	0100	RUSSELL SIGLER INC	Maintenance & Operation	District Wide	Materials And Supplies	\$ 6,000.00
0000016858	0100	FRONTIER FENCE COMPANY INC	Maintenance & Operation	District Wide	Repairs & Maintenance	\$ 4,300.00
0000016859	0100	SOUTHCOAST HEATING & AIR CONDITIONING	Facilities Planning & Constr.	San Dieguito Academy	Improvements	\$ 3,448.00
0000016860	0100	DIGITAL NETWORKS GROUP	Technology	District Wide	Non-Capitalized Tech Equipment	\$ 11,706.50
0000016861	0100	FREE FORM CLAY & SUPPLY	Schools-Formula	San Dieguito Academy	Materials And Supplies	\$ 978.30
0000016862	0100	RANAR MFG CO INC	Special Programs	District Wide	Materials And Supplies	\$ 1,158.32
0000016862	0100	RANAR MFG CO INC	Special Programs	District Wide	Non-Capitalized Equipment	\$ 12,282.33
0000016863	0100	Work Training Center fot the handicapped	Special Programs	Sunset High School	Materials And Supplies	\$ 5,045.93
0000016864	0100	ESSENTIAL EDUCATION	Special Programs	Sunset High School	Materials And Supplies	\$ 10,491.30
0000016866	0100	SOUTHCOAST HEATING & AIR CONDITIONING	Maintenance & Operation	District Wide	Repairs & Maintenance	\$ 6,364.31
0000016867	0100	FAGEN FRIEDMAN & FULFROST, LLP	Superintendent	District Wide	Legal Expense	\$ 3,000.00
0000016867	0100	FAGEN FRIEDMAN & FULFROST, LLP	Business Services	District Wide	Legal Expense	\$ 15,000.00
0000016868	0100	SCHOOL SERVICES OF CALIFORNIA, INC.	Fiscal Services	District Wide	Conference,Workshop,Sem.	\$ 230.00
0000016868	0100	SCHOOL SERVICES OF CALIFORNIA, INC.	Business Services	District Wide	Conference,Workshop,Sem.	\$ 230.00
0000016870	0100	RASIX COMPUTER CENTER INC	Pupil Personnel	District Wide	Materials And Supplies	\$ 446.09
0000016871	0100	CART MART INC	Schools-Formula	La Costa Canyon High Sch	Repairs & Maintenance	\$ 1,257.91
0000016872	0100	INSIGHT DIRECT USA INC	Technology	District Wide	Computer Licensing	\$ 50,972.74
0000016873	2519	AMERICAN SANITARY SUPPLY	Facilities Planning & Constr.	District Wide	Equipment	\$ 35,438.98

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PO REPORT MARCH 4, 2021 THROUGH APRIL 7, 2021						
PO NBR	FUND	VENDOR	SITE	OPERATING UNIT	DESCRIPTION	AMOUNT
0000016874	0100	BLUEBEAM SOFTWARE, INC.	Facilities Planning & Constr.	District Wide	Computer Licensing	\$ 1,490.00
0000016875	0100	UCSD MEDICAL CENTER	Fiscal Services	District Wide	Professional/Consult Svcs	\$ 880.00
0000016876	0100	STAPLES ADVANTAGE	Schools-Formula	San Dieguito Academy	Materials And Supplies	\$ 300.00
0000016877	0100	Trebron Company, inc.	Technology	District Wide	Computer Licensing	\$ 44,767.44
0000016878	0100	AMAZON CAPITAL SERVICES, INC.	Schools-Formula	San Dieguito Academy	Materials And Supplies	\$ 300.00
0000016879	0100	AMAZON CAPITAL SERVICES, INC.	Special Ed	District Wide	Materials And Supplies	\$ 400.00
0000016881	0100	A GOOD ROOFER INC	Facilities Planning & Constr.	Carmel Valley Middle School	Improvements	\$ 47,780.00
0000016882	0100	National Scholastic Press Association	Schools-Formula	San Dieguito Academy	Conference,Workshop,Sem.	\$ 299.00
0000016883	0100	LAB AIDS	Schools-Non-Formula	Pacific Trails Middle School	Materials And Supplies	\$ 325.90
0000016884	0100	FLINN SCIENTIFIC INC	Schools-Non-Formula	Pacific Trails Middle School	Materials And Supplies	\$ 407.49
0000016885	0100	DATA TICKET INC	Risk Management	District Wide	Fees - Business, Admission,Etc	\$ 939.50
0000016886	0100	C I F	Pupil Personnel	Torrey Pines High School	Dues - CIF	\$ 1,711.89
0000016886	0100	C I F	Pupil Personnel	La Costa Canyon High Sch	Dues - CIF	\$ 1,225.44
0000016886	0100	C I F	Pupil Personnel	San Dieguito Academy	Dues - CIF	\$ 1,339.29
0000016886	0100	C I F	Pupil Personnel	Canyon Crest Academy	Dues - CIF	\$ 1,738.80
0000016887	0100	JR OUTLETS	Special Ed	District Wide	Materials And Supplies	\$ 187.90
0000016888	0100	SSID# 7187107116	Special Ed	District Wide	Other Serv.& Oper.Exp.	\$ 3,000.00
0000016889	0100	AMERICAN RESTAURANT SUPPLY	Maintenance & Operation	District Wide	Non-Capitalized Equipment	\$ 4,832.59
0000016891	4000	ROESLING NAKAMURA	Facilities Planning & Constr.	2021Cf Tphs Gym Hvac Replacement	Improvements	\$ 49,765.00
0000016892	0100	ATKINSON, ANDELSON, LOYA, RUUD & ROMO	Risk Management	District Wide	Conference,Workshop,Sem.	\$ 49.00
0000016892	0100	ATKINSON, ANDELSON, LOYA, RUUD & ROMO	Business Services	District Wide	Conference,Workshop,Sem.	\$ 49.00
0000016893	4000	ENCINITAS, CITY OF	Facilities Planning & Constr.	20/21Do Architect/Eng Services	Improvements	\$ 1,769.00
0000016894	0100	B AND H PHOTO-VIDEO	Special Programs	District Wide	Non-Capitalized Tech Equipment	\$ 3,099.85
0000016895	0100	WAXIE SANITARY SUPPLY	Maintenance & Operation	District Wide	Equipment	\$ 6,239.77
0000016896	0100	UNITED SITE SERVICES	Maintenance & Operation	Torrey Pines High School	Rents & Leases	\$ 493.17
0000016897	0100	UNITED SITE SERVICES	Maintenance & Operation	Earl Warren Middle School	Rents & Leases	\$ 103.75
0000016898	0100	FERGUSON ENTERPRISES INC	Maintenance & Operation	District Wide	Equipment	\$ 8,123.95
0000016899	0100	ATVANTAGE LLC	Pupil Personnel	District Wide	Professional/Consult Svcs	\$ 121,520.00
0000016900	0100	CASBO	Stores/Purchasing	District Wide	Conference,Workshop,Sem.	\$ 530.00
0000016901	2519	ZONAR SYSTEMS INC	Facilities Planning & Constr.	District Wide	Equipment Replacement	\$ 37,286.89
0000016903	0100	STAPLES ADVANTAGE	Maintenance & Operation	District Wide	Materials And Supplies	\$ 1,000.00
0000016904	2519	ORBACH HUFF SUAREZ & HENDERSON LLP	Facilities Planning & Constr.	District Wide	Legal Expense	\$ 1,000.00
0000016905	0100	ECONOMY RESTAURANT SUPPLY	Facilities Planning & Constr.	Diegueno Middle School	Equipment Replacement	\$ 5,000.00
0000016905	1300	ECONOMY RESTAURANT SUPPLY	Nutrition Services	Diegueno Middle School	Equipment Replacement	\$ 940.79
0000016906	0100	LOGAN RIVER ACADEMY	Special Ed	District Wide	Other Contr-N.P.S.	\$ 22,494.42
0000016906	0100	LOGAN RIVER ACADEMY	Special Ed	District Wide	Sub/Room & Board	\$ 21,035.80
0000016906	0100	LOGAN RIVER ACADEMY	Special Ed	District Wide	Room & Board	\$ 25,000.00
0000016906	0100	LOGAN RIVER ACADEMY	Special Ed	District Wide	Mental Health Svcs	\$ 20,458.56
0000016907	0100	STAPLES ADVANTAGE	Schools-Non-Formula	San Dieguito Academy	Materials And Supplies	\$ 1,500.00
0000016908	0100	UNITED SITE SERVICES	Schools-Formula	Diegueno Middle School	Materials And Supplies	\$ 311.25
0000016909	0100	D A D ASPHALT, INC.	Facilities Planning & Constr.	Carmel Valley Middle School	Land Improvements	\$ 16,900.00
0000016910	0100	D A D ASPHALT, INC.	Maintenance & Operation	District Wide	Repairs & Maintenance	\$ 6,750.00
0000016911	0100	D A D ASPHALT, INC.	Facilities Planning & Constr.	Canyon Crest Academy	Land Improvements	\$ 46,095.00
0000016912	2519	HARBOR BAY INC	Facilities Planning & Constr.	District Wide	Land Improvements	\$ 8,450.00
0000016913	0100	NO CTY STUDENT TRANSPORTATION	Transportation	District Wide	Fld. Trips By Prv. Contr	\$ 200,000.00
0000016914	0100	ROYAL LINES CHARTERS LLC	Transportation	District Wide	Fld. Trips By Prv. Contr	\$ 150,000.00
0000016915	0100	PAULEY EQUIPMENT COMPANY	Transportation	District Wide	Materials-Vehicle Parts	\$ 1,000.00
0000016916	0100	ADVANCED DIESEL INJECTION INC	Transportation	District Wide	Repairs-Vehicles	\$ 6,000.00
0000016917	0100	New Haven Youth & Family Services	Special Ed	District Wide	Other Contr-N.P.A.	\$ 11,070.97
0000016918	0100	New Haven Youth & Family Services	Special Ed	District Wide	Other Contr-N.P.A.	\$ 11,000.00
0000016919	0100	COMMUNITY SCHOOL OF SD, THE	Special Ed	District Wide	Sub/Other Contr-Nps	\$ 37,017.67
0000016920	0100	COMMUNITY SCHOOL OF SD, THE	Special Ed	District Wide	Sub/Other Contr-Nps	\$ 37,017.67
0000016921	0100	COMMUNITY SCHOOL OF SD, THE	Special Ed	District Wide	Sub/Other Contr-Nps	\$ 37,017.67
0000016922	0100	AMAZON CAPITAL SERVICES, INC.	Human Resources	District Wide	Materials And Supplies	\$ 200.00
0000016923	0100	SAN DIEGO CNTY MUSIC EXCHANGE	Schools-Formula	San Dieguito Academy	Materials And Supplies	\$ 1,805.42
0000016924	0100	NOVA ENGINEERING, INC.	Maintenance & Operation	La Costa Canyon High Sch	Land Improvements	\$ 32,700.00
0000016925	0100	CDW GOVERNMENT	Technology	District Wide	Materials And Supplies	\$ 1,528.92
0000016926	0100	DOHERTY, KRISTEN	Schools-Formula	Earl Warren Middle School	Fees - Business, Admission,Etc	\$ 50.00
0000016927	0100	BLICK, DICK (DICK BLICK)	Schools-Formula	Sunset High School	Materials And Supplies	\$ 100.00
0000016928	0100	STAPLES ADVANTAGE	Schools-Formula	Canyon Crest Academy	Materials And Supplies	\$ 73.19
0000016929	0100	DATA DISPOSAL INC	Stores/Purchasing	District Wide	Other Serv.& Oper.Exp.	\$ 550.00
0000016930	0100	AMAZON CAPITAL SERVICES, INC.	Facilities Planning & Constr.	Torrey Pines High School	Non-Capitalized Equipment	\$ 612.36
0000016931	0100	FREE FORM CLAY & SUPPLY	Schools-Formula	Torrey Pines High School	Materials And Supplies	\$ 1,800.00
0000016932	1300	ECOLAB	Nutrition Services	District Wide	Purchases Supplies	\$ 908.04
0000016933	0100	LASER CLASSROOM LLC	Schools-Non-Formula	Pacific Trails Middle School	Materials And Supplies	\$ 48.91
0000016934	0100	CITY OF SAN DIEGO	Risk Management	District Wide	Other Serv.& Oper.Exp.	\$ 485.00
0000016935	0100	DISTRIB ED CLUBS OF AMERICA INC	Special Programs	District Wide	Fees - Business, Admission,Etc	\$ 290.00
0000016936	0100	INSIGHT DIRECT USA INC	Facilities Planning & Constr.	District Wide	Computer Licensing	\$ 49.44
0000016937	0100	BRAINPOP LLC	Assoc Supt.Of Ed Services	District Wide	Computer Licensing	\$ 1,000.00
0000016939	0100	FACILITRON, INC.	Pupil Personnel	District Wide	Rents & Leases	\$ 54,000.00
0000016940	0100	OAK GROVE INSTITUTE	Special Ed	District Wide	Other Contr-N.P.S.	\$ 3,400.00
0000016940	0100	OAK GROVE INSTITUTE	Special Ed	District Wide	Room & Board	\$ 19,015.16
0000016941	0100	B AND H PHOTO-VIDEO	Special Programs	District Wide	Materials And Supplies	\$ 909.36
0000016942	0100	BOYS & GIRLS CLUB OF SAN DIEGUITO	Pupil Personnel	District Wide	Rents & Leases	\$ 10,000.00
0000016943	0100	STAPLES ADVANTAGE	Schools-Formula	Earl Warren Middle School	Materials And Supplies	\$ 2,000.00
0000016944	1300	ATKINSON, ANDELSON, LOYA, RUUD & ROMO	Nutrition Services	District Wide	Conference,Workshop,Sem.	\$ 79.00
0000016945	0100	SCHOOL SERVICES OF CALIFORNIA, INC.	Business Services	District Wide	Conference,Workshop,Sem.	\$ 195.00
0000016946	0100	CASBO	Stores/Purchasing	District Wide	Conference,Workshop,Sem.	\$ 215.00
0000016947	0100	ACES, INC.	Special Ed	District Wide	Other Contr-N.P.S.	\$ 25,000.00
0000016947	0100	ACES, INC.	Special Ed	District Wide	Sub/Other Contr-Nps	\$ 2,461.94
0000016948	0100	LOWES	Schools-Non-Formula	Earl Warren Middle School	Non-Capitalized Equipment	\$ 746.22
0000016949	0100	DIGITAL NETWORKS GROUP	Technology	District Wide	Repairs & Maintenance	\$ 2,107.09

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PO REPORT MARCH 4, 2021 THROUGH APRIL 7, 2021						
PO NBR	FUND	VENDOR	SITE	OPERATING UNIT	DESCRIPTION	AMOUNT
0000016950	0100	CATHEDRAL CATHOLIC HIGH SCHOOL	Pupil Personnel	District Wide	Rents & Leases	\$ 3,595.00
0000016951	0100	AT&T LONG DISTANCE	Technology	District Wide	Communications-Telephone	\$ 100.00
0000016952	0100	FREE FORM CLAY & SUPPLY	Schools-Formula	Earl Warren Middle School	Materials And Supplies	\$ 181.37
0000016953	0100	DIVERSE NETWORK ASSOCIATES	Technology	District Wide	Consultants-Computer	\$ 499.00
0000016954	1300	Commercial Foodservice Repair Inc	Nutrition Services	District Wide	Repairs & Maintenance	\$ 344.83
0000016955	0100	DATA DISPOSAL INC	Stores/Purchasing	District Wide	Other Serv.& Oper.Exp.	\$ 550.00
0000016956	0100	COLLEGE BOARD	Schools-Non-Formula	Torrey Pines High School	Materials And Supplies	\$ 5,251.00
0000016957	0100	DEMCO INC	Schools-Formula	Pacific Trails Middle School	Materials And Supplies	\$ 71.78
0000016958	2519	SOUTHPAW	Facilities Planning & Constr.	District Wide	Materials And Supplies	\$ 1,213.62
0000016959	4000	SIEMENS INDUSTRY, INC.	Facilities Planning & Constr.	2021 Cca Hvac Modernization Phase 1	Improvements	\$ 185,180.00
0000016960	2519	MASTER MARKETING INTERNATIONAL, INC.	Facilities Planning & Constr.	District Wide	Materials And Supplies	\$ 129.03
0000016961	2139	DIGITAL NETWORKS GROUP	Facilities Planning & Constr.	1213 Phase I Bldg Prgm-Dw	Technology Equipment	\$ 65,264.13
0000016962	2139	DIGITAL NETWORKS GROUP	Facilities Planning & Constr.	1213 Phase I Bldg Prgm-Dw	Technology Equipment	\$ 354,046.65
0000016963	4000	WESTERN ENVIRONMENTAL & SAFETY	Facilities Planning & Constr.	20/21Do Architect/Eng Services	Improvements	\$ 1,100.00
0000016964	0100	FERGUSON ENTERPRISES INC	Maintenance & Operation	District Wide	Non-Capitalized Equipment	\$ 1,273.09
0000016965	2519	FRONTIER FENCE COMPANY INC	Facilities Planning & Constr.	District Wide	Land Improvements	\$ 9,600.00
0000016966	0100	BOYS & GIRLS CLUB OF SAN DIEGUITO	Pupil Personnel	District Wide	Rents & Leases	\$ 10,000.00
0000016967	0100	SITEONE LANDSCAPE SUPPLY	Maintenance & Operation	District Wide	Materials And Supplies	\$ 10,000.00
0000016968	0100	ENTERPRISE RENT A CAR CO OF LA LLC	Maintenance & Operation	District Wide	Rents & Leases	\$ 5,475.00
0000016969	0100	AMAZON CAPITAL SERVICES, INC.	Maintenance & Operation	District Wide	Materials And Supplies	\$ 1,000.00
0000016970	0100	BLICK, DICK (DICK BLICK)	Schools-Formula	Pacific Trails Middle School	Materials And Supplies	\$ 138.12
0000016971	0100	XEROX CORPORATION	Fiscal Services	Canyon Crest Academy	Rents & Leases	\$ 779.36
0000016971	0100	XEROX CORPORATION	Schools-Formula	Canyon Crest Academy	Copy Charges	\$ 49.14
0000016972	0100	BLICK, DICK (DICK BLICK)	Schools-Formula	Earl Warren Middle School	Materials And Supplies	\$ 54.75
0000016973	0100	GOPHER SPORT	Schools-Formula	Earl Warren Middle School	Materials And Supplies	\$ 226.92
0000016974	0100	GRAINGER	Maintenance & Operation	District Wide	Materials And Supplies	\$ 4,000.00
0000016974	0100	GRAINGER	Maintenance & Operation	District Wide	Non-Capitalized Equipment	\$ 2,000.00
0000016975	4000	Sports Facilities Group, Inc.	Facilities Planning & Constr.	District Wide	Land Improvements	\$ 24,957.20
0000016976	0100	RACK PERFORMANCE LLC	Schools-Formula	La Costa Canyon High Sch	Computer Licensing	\$ 1,500.00
0000016977	0100	LENNOX INDUSTRIES INC	Facilities Planning & Constr.	La Costa Canyon High Sch	Equipment Replacement	\$ 10,675.00
0000016978	0100	STAPLES ADVANTAGE	Assoc Supt.Of Ed Services	District Wide	Printing	\$ 1,383.12
0000016979	0100	22ND DIST AGRICULTURAL ASSN	Assoc Supt.Of Ed Services	District Wide	Rents & Leases	\$ 27,900.00
0000016980	0100	SAN DIEGO MUSIC STUDIO	Fiscal Services	District Wide	Materials And Supplies	\$ 75.09
0000016981	0100	AMAZON CAPITAL SERVICES, INC.	Schools-Formula	Earl Warren Middle School	Materials And Supplies	\$ 1,000.00
0000016982	0100	STEVEN SMITH LANDSCAPE, INC.	Maintenance & Operation	District Wide	Other Serv.& Oper.Exp.	\$ 4,000.00
0000016983	0100	VISTA TREE SERVICE INC	Maintenance & Operation	District Wide	Other Serv.& Oper.Exp.	\$ 8,500.00
0000016984	0100	SCHOOL DATEBOOKS INC	Schools-Non-Formula	Oak Crest Middle School	Materials And Supplies	\$ 2,883.64
0000016985	0100	GRAINGER	Schools-Formula	Pacific Trails Middle School	Materials And Supplies	\$ 2,644.12
0000016986	0100	AIR BALANCE CO INC	Maintenance & Operation	District Wide	Repairs & Maintenance	\$ 4,930.00
0000016987	0100	INTERIOR MANAGEMENT INC	Maintenance & Operation	District Wide	Repairs & Maintenance	\$ 7,093.28
0000016988	0100	BRIGHTVIEW TREE CARE SERVICES INC	Maintenance & Operation	District Wide	Other Serv.& Oper.Exp.	\$ 1,800.00
0000016989	0100	CASBO	Fiscal Services	District Wide	Conference,Workshop,Sem.	\$ 1,530.00
0000016990	0100	STAPLES ADVANTAGE	Schools-Formula	Diegueno Middle School	Materials And Supplies	\$ 250.00
0000016991	0100	TEACHER'S DISCOVERY	Schools-Formula	Pacific Trails Middle School	Computer Licensing	\$ 199.98
0000016992	4000	ROESLING NAKAMURA	Facilities Planning & Constr.	2021Cf Sda Gym Hvac Replacement	Improvements	\$ 93,500.00
0000016993	0100	American Fidelity Administrative Service	Human Resources	District Wide	Professional/Consult Svcs	\$ 1,947.35
0000016994	2109	STEVEN SMITH LANDSCAPE, INC.	Facilities Planning & Constr.	District Wide	Land Improvements	\$ 9,150.00
0000016995	0100	STEVEN SMITH LANDSCAPE, INC.	Maintenance & Operation	District Wide	Other Serv.& Oper.Exp.	\$ 5,800.00
0000016996	2519	DIVISION OF THE STATE ARCHITECT	Facilities Planning & Constr.	District Wide	New Construction	\$ 77,599.57
0000016997	2519	D A D ASPHALT, INC.	Facilities Planning & Constr.	District Wide	Land Improvements	\$ 7,500.00
0000016998	0100	COLLEGE BOARD	Assoc Supt.Of Ed Services	District Wide	Materials And Supplies	\$ 5,251.00
0000016999	0100	COLLEGE BOARD	Assoc Supt.Of Ed Services	District Wide	Materials And Supplies	\$ 2,397.00
0000017000	0100	GLOWFORGE INC	Technology	District Wide	Technology Equipment	\$ 15,063.46
0000017001	0100	ACTIVELY LEARN	Special Programs	District Wide	Computer Licensing	\$ 427.57
0000017002	0100	SCHOOL SERVICES OF CALIFORNIA, INC.	Fiscal Services	District Wide	Conference,Workshop,Sem.	\$ 275.00
0000017003	0100	AMAZON CAPITAL SERVICES, INC.	Schools-Formula	Diegueno Middle School	Materials And Supplies	\$ 500.00
0000017004	0100	FREE FORM CLAY & SUPPLY	Schools-Non-Formula	Oak Crest Middle School	Materials And Supplies	\$ 750.17
000016870A	0100	RASIX COMPUTER CENTER INC	Pupil Personnel	District Wide	Materials And Supplies	\$ 221.97
0000017005	0100	INTERNATIONAL BACCALAUREATE ORGANIZATION	Assoc Supt.Of Ed Services	District Wide	Conference,Workshop,Sem.	\$ 500.00
0000017006	0100	OFFICE & ERGONOMIC SOLUTIONS INC	Schools-Formula	Diegueno Middle School	Materials And Supplies	\$ 3,069.26
0000017007	0100	PALOS SPORTS, INC.	Schools-Formula	Pacific Trails Middle School	Materials And Supplies	\$ 1,583.52
0000017008	0100	FISHER SCIENTIFIC EMD	Special Programs	District Wide	Materials And Supplies	\$ 480.83
0000017009	0100	SMART AND FINAL STORES CORP	Schools-Formula	Oak Crest Middle School	Materials And Supplies	\$ 25.00
0000017010	0100	Fred Finch Youth Center	Special Ed	District Wide	Other Contr-N.P.S.	\$ 25,000.00
0000017010	0100	Fred Finch Youth Center	Special Ed	District Wide	Sub/Other Contr-Nps	\$ 29,641.52

Report Total = \$ 5,099,958.39

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: April 16, 2021

BOARD MEETING DATE: April 22, 2021

PREPARED BY: Tina Douglas, Associate Superintendent,
Business Services

SUBMITTED BY: Robert A. Haley, Ed.D., Superintendent

SUBJECT: RATIFICATION OF WARRANTS REPORTS
LISTING

EXECUTIVE SUMMARY

Please find the following warrants reports listing submitted for your ratification:

1. Warrants
2. Revolving Cash Fund

RECOMMENDATION:

It is recommended that the Board ratify the warrants reports listing, as shown in the attached supplements.

FUNDING SOURCE:

Not applicable.

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WARRANT REPORT FROM 03/05/21 THROUGH 04/12/21

WARRANT NBR	DATE	VENDOR	FUND	DESCRIPTION	AMOUNT
14757624	3/8/2021	SITEONE LANDSCAPE SUPPLY	0100	Materials And Supplies	\$ 1,787.49
14757625	3/8/2021	CHELSEA PEST AND TERMITE	0100	Pest Control	\$ 300.00
14757626	3/8/2021	BURNHAM BENEFITS INSURANCE SERVICES	0100	Professional/Consult Svs	\$ 7,083.33
14757627	3/8/2021	Dawn Campbell,Custodian of Revolvng Cash	0100	All Other Local Revenue	\$ 1,909.79
				Bank Charges	\$ 111.48
				Materials And Supplies	\$ 435.48
14757628	3/8/2021	FBC DENTAL	0100	Health & Welfare Benefits, cla	\$ 646.65
14757629	3/8/2021	MES VISION	0100	Health & Welfare Benefits, cla	\$ 22.48
14757630	3/8/2021	VEBA	0100	Health & Welfare Benefits, cla	\$ 4,953.00
14757631	3/8/2021	GALASSO'S BAKERY	1300	Purchases Food	\$ 618.38
14757632	3/8/2021	Colleen Owens	0100	Mileage	\$ 19.60
14757633	3/8/2021	PREMIER CHEVROLET OF CARLSBAD	0100	Materials-Vehicle Parts	\$ 57.47
14757634	3/8/2021	WESTERN RIM CONSTRUCTORS, INC.	0100	Land Improvements	\$ 13,300.00
14757635	3/8/2021	Pieh Tool Company, Inc	0100	Materials And Supplies	\$ 199.09
14757636	3/8/2021	GLENN D. GEELHOED	0100	All Other Local Revenue	\$ 3,456.13
14757637	3/8/2021	REYNOSO, JOSE	0100	Materials And Supplies	\$ 241.46
14757638	3/8/2021	A1 GOLF CARS, INC	0100	Repairs & Maintenance	\$ 122.06
14757639	3/8/2021	AMAZON CAPITAL SERVICES	0100	Materials And Supplies	\$ 3,423.81
14757640	3/8/2021	AMERICAN SANITARY SUPPLY	0100	Materials And Supplies	\$ 560.30
14757641	3/8/2021	BARKSHIRE LASER LEVELING INC	0100	Land Improvements	\$ 26,400.00
14757642	3/8/2021	BARNES & NOBLE, INC.	0100	Books Other Than Textbooks	\$ 34.46
14757643	3/8/2021	TCG ADMINISTRATORS/CALSTRS	0100	Professional/Consult Svs	\$ 714.00
14757644	3/8/2021	SONSRAY MACHINERY LLC	0100	Materials-Vehicle Parts	\$ 459.09
				Repairs-Vehicles	\$ 329.23
14757645	3/8/2021	CREATIVE BUS SALES, INC.	0100	Materials-Vehicle Parts	\$ 2,851.02
14757646	3/8/2021	IPROMOTEU	0100	Materials And Supplies	\$ 993.09
14757647	3/8/2021	CITY OF ENCINITAS	0100	Sewer Charges	\$ 54,721.98
14757648	3/8/2021	ENCINITAS FORD	0100	Materials-Vehicle Parts	\$ 133.33
14757649	3/8/2021	GOLD STAR FOODS	0100	Materials And Supplies	\$ 382.90
			1300	Purchases Food	\$ 5,753.96
14757650	3/8/2021	HOLLANDIA DAIRY	1300	Purchases Food	\$ 4,458.78
14757651	3/8/2021	HOME DEPOT CREDIT SERVICES	0100	Materials And Supplies	\$ 97.36
14757652	3/8/2021	INTERSTATE BATTERIES	0100	Materials-Vehicle Parts	\$ 116.40
14757653	3/8/2021	MATCH POINT TENNIS COURTS, INC	0100	Other Serv.& Oper.Exp.	\$ 2,415.00
14757654	3/8/2021	MISSION LINEN SUPPLY	0100	Other Serv.& Oper.Exp.	\$ 86.91
14757655	3/8/2021	OLIVENHAIN MUNICIPAL WATER DST	0100	Water	\$ 2,439.21
14757656	3/8/2021	NCS PEARSON, INC	0100	Materials And Supplies	\$ 123.58
14757657	3/8/2021	PERMA BOUND	0100	Books Other Than Textbooks	\$ 4,849.46
14757658	3/8/2021	PRO-ED	0100	Materials And Supplies	\$ 546.38
14757659	3/8/2021	SANTA FE IRRIGATION DISTRICT	0100	Water	\$ 2,991.70
14757660	3/8/2021	SCHOOL FACILITY CONSULTANTS	2519	Professional/Consult Svs	\$ 2,575.00
14757661	3/8/2021	SCHOOL HEALTH CORPORATION	0100	Materials And Supplies	\$ 1,577.99
14757662	3/8/2021	SMART AND FINAL STORES CORP	0100	Materials And Supplies	\$ 30.01
14757664	3/8/2021	SPRINT	0100	Communications-Telephone	\$ 2,041.46
14757665	3/8/2021	STAPLES ADVANTAGE	0100	Materials And Supplies	\$ 1,159.08
14757666	3/8/2021	STAPLES ADVANTAGE	0100	Printing	\$ 13,406.59
14757667	3/8/2021	STAPLES ADVANTAGE	1300	Materials And Supplies	\$ 15.39
14757668	3/8/2021	DAYNE TSUDA	0100	Mileage	\$ 163.31
14757669	3/8/2021	VERDUGO TESTING CO., INC.	0100	Fees - Business, Admission,Etc	\$ 180.00
				Repairs & Maintenance	\$ 340.00
14757670	3/8/2021	WESTAIR GASES & EQUIPMENT	0100	Rents & Leases	\$ 142.02
14757671	3/8/2021	WILLIAMS SCOTSMAN, INC.	0100	Rents & Leases	\$ 593.78
14757672	3/8/2021	XEROX CORPORATION	0100	Copy Charges	\$ 48.20
				Rents & Leases	\$ 1,308.20
14758854	3/11/2021	SSID #6153915824	0100	Other Serv.& Oper.Exp.	\$ 2,600.00
14758855	3/11/2021	KELLY PAPER	0100	Materials And Supplies	\$ 295.56
14758856	3/11/2021	AMS.NET	0100	Computer Licensing	\$ 58,864.81
14758857	3/11/2021	DEBBIE KELLY	0100	Materials And Supplies	\$ 1,747.96
14758858	3/11/2021	LASERCYCLE USA INC	0100	Materials And Supplies	\$ 707.73
14758859	3/11/2021	Deaf Community Services of San Diego	0100	Professional/Consult Svs	\$ 4,520.00
14758860	3/11/2021	BOOT WORLD INC	0100	Materials And Supplies	\$ 150.00
14758861	3/11/2021	RODRIGUEZ, DANIEL	0100	Mileage	\$ 100.52

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WARRANT NBR	DATE	VENDOR	FUND	DESCRIPTION	AMOUNT
14758862	3/11/2021	LOWE'S	0100	Materials And Supplies	\$ 867.06
14758863	3/11/2021	MBO, Inc.	0100	Other Serv.& Oper.Exp. Repairs & Maintenance	\$ 1,750.00 \$ 6,625.00
14758864	3/11/2021	AVANGATE INC DBA 2CHECKOUT	0100	Computer Licensing	\$ 19.99
14758865	3/11/2021	BRIGHTSIDE LAW GROUP	0100	Mediation Settlements	\$ 6,500.00
14758866	3/11/2021	DCJ THEATRICAL LIGHTING INC	0100	Repairs & Maintenance	\$ 111.25
14758867	3/11/2021	Repl.it, Inc.	0100	Computer Licensing	\$ 3,000.00
14758868	3/11/2021	LESLIE A. ENGLAND	0100	All Other Local Revenue	\$ 1,184.50
14758869	3/11/2021	A. O. REED & CO.	0100	Repairs & Maintenance	\$ 988.37
14758870	3/11/2021	ADVANTAGE PAYROLL SERVICES	0100	Other Serv.& Oper.Exp.	\$ 50.00
14758871	3/11/2021	AMAZON CAPITAL SERVICES	0100	Materials And Supplies	\$ 3,930.15
14758872	3/11/2021	AMAZON CAPITAL SERVICES, INC.	0100	Materials And Supplies	\$ 52.79
14758873	3/11/2021	BERT'S OFFICE TRAILERS	0100	Rents & Leases	\$ 144.39
14758874	3/11/2021	BLICK ART MATERIALS	0100	Materials And Supplies	\$ 1,224.60
14758875	3/11/2021	CA ASSN OF SCHOOL BUSINESS OFFICIALS	0100	Conference, Workshop, Sem.	\$ 530.00
14758876	3/11/2021	RUSSELL SIGLER INC	0100	Materials And Supplies	\$ 2,834.07
14758877	3/11/2021	CART MART INC	0100	Repairs & Maintenance	\$ 244.80
14758878	3/11/2021	COSCO FIRE PROTECTION, INC.	0100	Repairs & Maintenance	\$ 2,164.64
14758879	3/11/2021	COSTCO CARLSBAD	0100	Materials And Supplies	\$ 101.70
14758880	3/11/2021	COUNTY OF SAN DIEGO, DEH	0100	Fees - Business, Admission, Etc	\$ 2,104.00
14758881	3/11/2021	COX BUSINESS	0100	Communications-Telephone	\$ 445.52
14758882	3/11/2021	SPARKLETT'S	0100	Materials And Supplies	\$ 801.00
14758883	3/11/2021	DUNN EDWARDS CORP	0100	Materials And Supplies	\$ 331.27
14758884	3/11/2021	E-BUILDER, INC	2139	Computer Licensing	\$ 11,212.50
14758885	3/11/2021	FEDEX	0100	Communications-Postage	\$ 114.46
14758886	3/11/2021	GEM INDUSTRIAL, INC.	2109	Improvements	\$ 29,993.26
14758887	3/11/2021	GRAINGER	0100	Materials And Supplies	\$ 1,131.30
14758888	3/11/2021	NAUMANN HOBBS MATERIAL HANDLING	0100	Repairs & Maintenance	\$ 1,059.05
14758889	3/11/2021	HOME DEPOT CREDIT SERVICES	0100	Materials And Supplies	\$ 333.50
14758890	3/11/2021	NAPA AUTO PARTS	0100	Materials And Supplies Materials-Vehicle Parts	\$ 201.67 \$ 953.44
14758891	3/11/2021	New Haven Youth & Family Services	0100	Other Contr-N.P.A.	\$ 10,290.32
14758892	3/11/2021	OLIVENHAIN MUNICIPAL WATER DST	0100	Water	\$ 5,137.32
14758893	3/11/2021	RANCHO SANTA FE SEC SYSTEMS	0100	Other Serv.& Oper.Exp.	\$ 536.00
14758894	3/11/2021	SAN DIEGUITO WATER DISTRICT	0100	Water	\$ 4,566.52
14758895	3/11/2021	SCHOOL SERVICES OF CALIFORNIA, INC.	0100	Professional/Consult Svs	\$ 325.00
14758896	3/11/2021	SHELL CAR WASH & EXPRESS LUBE	0100	Materials And Supplies	\$ 328.75
14758897	3/11/2021	JOHNSON CONTROLS FIRE PROTECTION LP	0100	Repairs & Maintenance	\$ 181.50
14758898	3/11/2021	SOUTHWEST SCHOOL/OFFICE SUPPLY	0100	Materials And Supplies	\$ 53.85
14758899	3/11/2021	STAPLES ADVANTAGE	0100	Materials And Supplies	\$ 871.03
14758900	3/11/2021	DEPT OF INDUSTRIAL RELATIONS	0100	Fees - Business, Admission, Etc	\$ 225.00
14758901	3/11/2021	UNITED SITE SERVICES	0100	Rents & Leases	\$ 1,125.67
14759898	3/15/2021	CINDY SKEBER	0100	Refreshments	\$ 28.07
14759899	3/15/2021	FERGUSON FACILITIES SUPPLY	0100	Materials And Supplies	\$ 878.03
14759900	3/15/2021	FERGUSON ENTERPRISES LLC #1350	0100	Materials And Supplies	\$ 13.36
14759901	3/15/2021	C D L SERVICES INC	0100	Materials And Supplies	\$ 2,037.98
14759902	3/15/2021	SITONE LANDSCAPE SUPPLY	0100	Materials And Supplies	\$ 1,053.00
14759903	3/15/2021	EXTRON ELECTRONICS	0100	Repairs & Maintenance	\$ 167.52
14759904	3/15/2021	AHERN RENTALS INC	0100	Repairs & Maintenance	\$ 431.67
14759905	3/15/2021	LASERCYCLE USA INC	0100	Materials And Supplies	\$ 257.83
14759906	3/15/2021	ALLIED REFRIGERATION INC.	0100	Materials And Supplies	\$ 359.16
14759907	3/15/2021	AMAZON CAPITAL SERVICES	0100	Materials And Supplies	\$ 713.97
14759908	3/15/2021	RUSSELL SIGLER INC	0100	Materials And Supplies	\$ 485.95
14759909	3/15/2021	COUNTY OF SAN DIEGO, DEH	0100	Fees - Business, Admission, Etc	\$ 76.50
14759910	3/15/2021	FREDRICKS ELECTRIC INC	0100	Repairs & Maintenance	\$ 2,750.00
14759911	3/15/2021	GRAINGER	0100	Materials And Supplies	\$ 425.44
14759912	3/15/2021	HOME DEPOT CREDIT SERVICES	0100	Materials And Supplies	\$ 164.62
14759913	3/15/2021	MATCH POINT TENNIS COURTS, INC	0100	Other Serv.& Oper.Exp.	\$ 620.00
14759914	3/15/2021	PACIFIC BACKFLOW, INC	0100	Other Serv.& Oper.Exp.	\$ 2,020.00
14759915	3/15/2021	NCS PEARSON, INC	0100	Materials And Supplies	\$ 8,003.78
14759916	3/15/2021	RASIX COMPUTER CENTER INC	0100	Materials And Supplies	\$ 240.06
14759917	3/15/2021	SAN DIEGO GAS & ELECTRIC CO	0100	Gas & Electric	\$ 130,925.79
14759918	3/15/2021	SAN DIEGUITO WATER DISTRICT	0100	Water	\$ 2,149.12

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WARRANT NBR	DATE	VENDOR	FUND	DESCRIPTION	AMOUNT
14759919	3/15/2021	SC Fuels	0100	Fuel	\$ 11,603.03
14759920	3/15/2021	STAPLES ADVANTAGE	0100	Materials And Supplies	\$ 444.45
14759921	3/15/2021	UNITED SITE SERVICES	0100	Rents & Leases	\$ 765.58
14759922	3/15/2021	WAXIE SANITARY SUPPLY	0100	Materials And Supplies	\$ 179.71
14759923	3/15/2021	WESTERN PSYCHOLOGICAL SERVICES	0100	Materials And Supplies	\$ 3,621.72
14759924	3/15/2021	XEROX CORPORATION	0100	Copy Charges	\$ 706.40
				Rents & Leases	\$ 2,523.85
14761013	3/18/2021	FERGUSON ENTERPRISES LLC #1350	0100	Materials And Supplies	\$ 47.85
14761014	3/18/2021	Trebron Company, inc.	0100	Computer Licensing	\$ 44,767.44
14761015	3/18/2021	CW DRIVER LLC	2139	New Construction	\$ 460,525.68
14761016	3/18/2021	SOLAR CARE INC	2519	Other Serv.& Oper.Exp.	\$ 890.00
14761017	3/18/2021	RUHNAU CLARKE ARCHITECTS	2139	Improvements	\$ 10,900.00
14761018	3/18/2021	TCG GROUP 403(B)	0100	Other Benefits, certificated p	\$ 825.00
14761019	3/18/2021	LASERCYCLE USA INC	0100	Materials And Supplies	\$ 146.14
14761020	3/18/2021	Deaf Community Services of San Diego	0100	Professional/Consult Svs	\$ 2,380.00
14761021	3/18/2021	NOVA ENGINEERING, INC.	0100	Land Improvements	\$ 2,908.75
			2139	Land Improvements	\$ 960.00
14761022	3/18/2021	FOXLIN ARCHITECTS	2109	New Construction	\$ 2,208.75
14761023	3/18/2021	HARLEY ELLIS DEVEREAUX CORPORATION	2139	Land Improvements	\$ 7,639.00
14761024	3/18/2021	LOWE'S	0100	Materials And Supplies	\$ 381.52
14761025	3/18/2021	WALLATEES	0100	Materials And Supplies	\$ 855.54
14761026	3/18/2021	SAN MARCOS CITY	0100	Rents & Leases	\$ 2,053.50
14761027	3/18/2021	UC SAN DIEGO HEALTH	0100	Professional/Consult Svs	\$ 880.00
14761028	3/18/2021	National Scholastic Press Association	0100	Conference,Workshop,Sem.	\$ 299.00
14761029	3/18/2021	DATA TICKET INC	0100	Fees - Business, Admission,Etc	\$ 939.50
14761030	3/18/2021	AT&T	0100	Communications-Telephone	\$ 12,710.06
14761031	3/18/2021	AT&T	0100	Communications-Telephone	\$ 59.36
14761032	3/18/2021	AT&T LONG DISTANCE	0100	Communications-Telephone	\$ 27.82
14761033	3/18/2021	TOOLS4EVER	0100	Computer Licensing	\$ 10,189.80
14761034	3/18/2021	AMAZON CAPITAL SERVICES	0100	Materials And Supplies	\$ 15,213.20
				Non-Capitalized Tech Equipment	\$ 12,355.08
14761036	3/18/2021	ATKINSON, ANDELSON, LOYA, RUUD & ROMO	0100	Conference,Workshop,Sem.	\$ 98.00
14761037	3/18/2021	BLICK ART MATERIALS	0100	Materials And Supplies	\$ 525.00
14761038	3/18/2021	CIF - SAN DIEGO SECTION	0100	Dues - CIF	\$ 6,015.42
14761039	3/18/2021	CART MART INC	0100	Repairs & Maintenance	\$ 1,557.91
14761040	3/18/2021	DAVIS DEMOGRAPHICS & PLANNING	2519	Professional/Consult Svs	\$ 4,250.00
14761041	3/18/2021	DELL MARKETING LP	0100	Materials And Supplies	\$ 8,331.25
14761042	3/18/2021	CITY OF ENCINITAS	4000	Improvements	\$ 1,769.00
14761043	3/18/2021	ESTR PUBLICATIONS	0100	Materials And Supplies	\$ 46.00
14761044	3/18/2021	FREE FORM CLAY & SUPPLY	2519	Non-Capitalized Equipment	\$ 3,337.62
14761045	3/18/2021	GRAINGER	0100	Materials And Supplies	\$ 338.68
14761046	3/18/2021	HERFF JONES LLC	0100	Printing	\$ 2,635.97
14761047	3/18/2021	MISSION JANITORIAL & ABRASIVE SUPPLIES	0100	Materials And Supplies	\$ 202.03
14761048	3/18/2021	RALPHS CUSTOMER CHARGES	0100	Materials And Supplies	\$ 300.79
14761049	3/18/2021	RANCHO SANTA FE SEC SYSTEMS	0100	Other Serv.& Oper.Exp.	\$ 536.00
14761050	3/18/2021	APCD	0100	Fees - Business, Admission,Etc	\$ 287.00
14761051	3/18/2021	SAN DIEGO COUNTY OFFICE OF EDUCATION	0100	Printing	\$ 54.95
14761052	3/18/2021	STAPLES ADVANTAGE	0100	Materials And Supplies	\$ 445.29
14761053	3/18/2021	XEROX CORPORATION	0100	Copy Charges	\$ 25.05
				Rents & Leases	\$ 1,009.32
14762055	3/22/2021	NATIONAL PETROLEUM INC.	0100	Materials-Vehicle Parts	\$ 702.10
14762056	3/22/2021	UNITED TIRE CENTERS, LLC	0100	Hazardous Waste Disposal	\$ 77.00
				Repairs-Vehicles	\$ 91.55
				Tires	\$ 1,417.66
14762057	3/22/2021	CHELSEA PEST AND TERMITE	0100	Pest Control	\$ 475.00
14762058	3/22/2021	VITAL SOUNDS LLC	0100	Materials And Supplies	\$ 204.87
14762059	3/22/2021	DATA DISPOSAL INC	0100	Other Serv.& Oper.Exp.	\$ 260.00
14762060	3/22/2021	UNITED REFRIGERATION INC	0100	Materials And Supplies	\$ 94.45
14762061	3/22/2021	JACQUELINE TEAGUE	0100	Conference,Workshop,Sem.	\$ 45.00
14762062	3/22/2021	LASERCYCLE USA INC	0100	Materials And Supplies	\$ 111.11
14762063	3/22/2021	BOOT WORLD INC	0100	Materials And Supplies	\$ 150.00
14762064	3/22/2021	LOWE'S	0100	Materials And Supplies	\$ 2,437.31
14762065	3/22/2021	ENTERPRISE RENT A CAR	0100	Rents & Leases	\$ 1,818.80

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WARRANT NBR	DATE	VENDOR	FUND	DESCRIPTION	AMOUNT
14762066	3/22/2021	ADVANCED DIESEL INJECTION INC	0100	Repairs-Vehicles	\$ 1,850.66
14762067	3/22/2021	ORBACH HUFF SUAREZ & HENDERSON LLP	2519	Legal Expense	\$ 195.00
14762068	3/22/2021	A1 GOLF CARS, INC	0100	Repairs & Maintenance	\$ 313.12
14762069	3/22/2021	A-Z BUS SALES, INC. - COLTON	0100	Materials-Vehicle Parts	\$ 485.21
14762070	3/22/2021	AMAZON CAPITAL SERVICES	0100	Materials And Supplies	\$ 1,589.73
14762071	3/22/2021	MICHELLE ANDERSON	0100	Conference,Workshop,Sem.	\$ 45.00
14762072	3/22/2021	CA ASSN OF SCHOOL BUSINESS OFFICIALS	0100	Conference,Workshop,Sem.	\$ 530.00
14762073	3/22/2021	CONSOLIDATED ELECTRICAL DISTRIBUTORS	0100	Materials And Supplies	\$ 192.87
14762074	3/22/2021	RUSSELL SIGLER INC	0100	Materials And Supplies	\$ (36.42)
				Non-Capitalized Equipment	\$ 599.28
14762075	3/22/2021	CENGAGE LEARNING, INC.	0100	Textbooks	\$ 840.68
14762076	3/22/2021	ANIXTER, INC	0100	Materials And Supplies	\$ 117.24
14762077	3/22/2021	COUNTY BURNER & MACHINERY CORP	0100	Repairs & Maintenance	\$ 247.50
14762078	3/22/2021	COX BUSINESS	0100	Communications-Telephone	\$ 93.37
14762079	3/22/2021	DUNN EDWARDS CORP	0100	Materials And Supplies	\$ 158.13
14762080	3/22/2021	ENCINITAS FORD	0100	Materials-Vehicle Parts	\$ 79.71
14762081	3/22/2021	FAGEN FRIEDMAN & FULFROST, LLP	0100	Legal Expense	\$ 2,789.00
14762082	3/22/2021	FILINGSUPPLIES.COM	0100	Materials And Supplies	\$ 2,197.15
14762083	3/22/2021	GRAINGER	0100	Materials And Supplies	\$ 151.60
14762084	3/22/2021	HOME DEPOT CREDIT SERVICES	0100	Materials And Supplies	\$ 275.05
14762085	3/22/2021	INTERSTATE BATTERIES	0100	Materials And Supplies	\$ 305.36
14762086	3/22/2021	LAWSON PRODUCTS	0100	Materials-Vehicle Parts	\$ 841.37
14762087	3/22/2021	LOGAN RIVER ACADEMY	0100	Mental Health Svcs	\$ 5,266.56
				Other Contr-N.P.S.	\$ 3,935.46
				Room & Board	\$ 11,850.80
14762088	3/22/2021	MISSION JANITORIAL & ABRASIVE SUPPLIES	0100	Materials And Supplies	\$ 354.06
14762089	3/22/2021	MISSION LINEN SUPPLY	0100	Other Serv.& Oper.Exp.	\$ 173.82
14762090	3/22/2021	S AND R TOWING INC	0100	Other Serv.& Oper.Exp.	\$ 320.00
14762091	3/22/2021	RUSSELL SIGLER INC	0100	Non-Capitalized Equipment	\$ 762.03
14762092	3/22/2021	STAPLES ADVANTAGE	0100	Materials And Supplies	\$ 821.68
14762093	3/22/2021	PERSEUS ASSOCIATES, LLC	0100	Computer Licensing	\$ 450.00
14762094	3/22/2021	UNITED PARCEL SERVICE	0100	Communications-Postage	\$ 44.02
14762095	3/22/2021	UNITED SITE SERVICES	0100	Rents & Leases	\$ 4,980.00
14762096	3/22/2021	WAXIE SANITARY SUPPLY	0100	Materials And Supplies	\$ 3,752.37
14762097	3/22/2021	WILLIAMS SCOTSMAN, INC.	0100	Rents & Leases	\$ 737.10
14763158	3/25/2021	DAILY JOURNAL CORPORATION	0100	Advertising	\$ 49.40
14763159	3/25/2021	THE FRUTH GROUP INC	0100	Rents & Leases	\$ 125.29
14763160	3/25/2021	FERGUSON FACILITIES SUPPLY	0100	Materials And Supplies	\$ 381.56
14763161	3/25/2021	SAN DIEGO REFRIGERATION	0100	Repairs & Maintenance	\$ 560.18
14763162	3/25/2021	DRIVE AUTOCARE	0100	Repairs-Vehicles	\$ 59.95
14763163	3/25/2021	BOYS & GIRLS CLUB OF SAN DIEGUITO	0100	Rents & Leases	\$ 3,000.00
14763164	3/25/2021	NUTRIEN AG SOLUTIONS INC	0100	Materials And Supplies	\$ 895.56
14763165	3/25/2021	VECTOR RESOURCES, INC.	0100	Computer Licensing	\$ 13,027.87
14763166	3/25/2021	LASERCYCLE USA INC	0100	Materials And Supplies	\$ 225.93
14763167	3/25/2021	Deaf Community Services of San Diego	0100	Professional/Consult Svcs	\$ 2,310.00
14763168	3/25/2021	LOWE'S	0100	Materials And Supplies	\$ 715.46
14763169	3/25/2021	ATVANTAGE	0100	Professional/Consult Svcs	\$ 12,152.00
14763170	3/25/2021	Susan Weinbach	1300	Food Service Sales Cca	\$ 160.25
14763171	3/25/2021	HOANG KOVARIK	1300	Food Service Sales Cca	\$ 50.50
14763172	3/25/2021	CHERYL COLLINS	0100	Mileage	\$ 12.32
14763173	3/25/2021	AT&T	0100	Communications-Telephone	\$ 10,988.73
14763174	3/25/2021	A-Z BUS SALES, INC. - COLTON	0100	Materials-Vehicle Parts	\$ 277.87
14763175	3/25/2021	AMAZON CAPITAL SERVICES	0100	Materials And Supplies	\$ 7,463.20
14763176	3/25/2021	BLUEBEAM SOFTWARE, INC.	0100	Computer Licensing	\$ 1,490.00
14763177	3/25/2021	RUSSELL SIGLER INC	0100	Materials And Supplies	\$ 32.90
14763178	3/25/2021	CITY OF SAN DIEGO	0100	Other Serv.& Oper.Exp.	\$ 485.00
14763179	3/25/2021	COMMUNITY SCHOOL OF SAN DIEGO	0100	Sub/Other Contr-Nps	\$ 18,672.63
14763180	3/25/2021	COUNTY BURNER & MACHINERY CORP	0100	Repairs & Maintenance	\$ 247.50
14763181	3/25/2021	CREATIVE BUS SALES, INC.	0100	Materials-Vehicle Parts	\$ 1,674.16
14763182	3/25/2021	DIGITAL NETWORKS GROUP	2139	Non-Capitalized Tech Equipment	\$ 4,666.11
14763183	3/25/2021	DUNN EDWARDS CORP	0100	Materials And Supplies	\$ 123.76
14763184	3/25/2021	GEOCON INCORPORATED	2139	Land Improvements	\$ 635.00
14763185	3/25/2021	HERFF JONES LLC	0100	Materials And Supplies	\$ 2,244.36

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WARRANT NBR	DATE	VENDOR	FUND	DESCRIPTION	AMOUNT
14763185	44280	HERFF JONES LLC	0100	Printing	\$ 60.93
14763186	3/25/2021	HOME DEPOT CREDIT SERVICES	0100	Materials And Supplies	\$ 1,701.29
14763187	3/25/2021	PAULEY EQUIPMENT COMPANY	0100	Materials-Vehicle Parts	\$ 389.37
14763188	3/25/2021	RANCHO SANTA FE SEC SYSTEMS	0100	Other Serv.& Oper.Exp.	\$ 536.00
14763189	3/25/2021	SAN DIEGO CITY TREASURER	0100	Sewer Charges	\$ 1,783.42
				Water	\$ 5,977.49
14763190	3/25/2021	SAN DIEGO COUNTY OFFICE OF EDUCATION	0100	Conference,Workshop,Sem.	\$ 990.00
14763191	3/25/2021	SAN DIEGUITO WATER DISTRICT	0100	Water	\$ 208.36
14763192	3/25/2021	SCHOOL SERVICES OF CALIFORNIA, INC.	0100	Conference,Workshop,Sem.	\$ 275.00
				Professional/Consult Svs	\$ 350.00
14763193	3/25/2021	JOHNSON CONTROLS FIRE PROTECTION LP	0100	Repairs & Maintenance	\$ 2,898.00
14763194	3/25/2021	STAPLES ADVANTAGE	0100	Materials And Supplies	\$ 605.65
14763195	3/25/2021	STAPLES ADVANTAGE	1300	Materials And Supplies	\$ 4.83
14763196	3/25/2021	VERIZON CELLULAR	0100	Communications-Telephone	\$ 1,509.98
14763197	3/25/2021	XEROX CORPORATION	0100	Copy Charges	\$ 41.57
				Rents & Leases	\$ 975.90
14764204	3/29/2021	SAN DIEGO REFRIGERATION	0100	Repairs & Maintenance	\$ 569.83
14764205	3/29/2021	C D L SERVICES INC	0100	Materials And Supplies	\$ 845.57
14764206	3/29/2021	SITEONE LANDSCAPE SUPPLY	0100	Materials And Supplies	\$ 3.09
14764207	3/29/2021	CABLE, PIPE & LEAK DETECTION	0100	Other Serv.& Oper.Exp.	\$ 250.00
14764208	3/29/2021	Raptor Technologies, LLC	0100	Materials And Supplies	\$ 730.55
				Non-Capitalized Equipment	\$ 1,066.72
14764209	3/29/2021	POWAY GYMNASTICS	0100	Equipment Replacement	\$ 5,183.75
14764210	3/29/2021	PROCURE AMERICA INC	0100	Communications-Telephone	\$ 733.03
14764211	3/29/2021	LASERCYCLE USA INC	0100	Materials And Supplies	\$ 172.52
14764212	3/29/2021	FBC DENTAL	0100	Health & Welfare Benefits, cla	\$ 595.19
14764213	3/29/2021	MES VISION	0100	Health & Welfare Benefits, cla	\$ 22.48
14764214	3/29/2021	VEBA	0100	Health & Welfare Benefits, cla	\$ 4,953.00
14764215	3/29/2021	Deaf Community Services of San Diego	0100	Professional/Consult Svs	\$ 2,520.00
14764216	3/29/2021	T-Mobile USA, Inc.	0100	Computer Licensing	\$ 7,200.00
14764217	3/29/2021	Sports Facilities Group, Inc.	0100	Repairs & Maintenance	\$ 3,000.00
14764218	3/29/2021	VISTA TREE SERVICE INC	0100	Other Serv.& Oper.Exp.	\$ 3,350.00
14764219	3/29/2021	ADVANCE PLUMBING CO	2519	Land Improvements	\$ 5,180.00
14764220	3/29/2021	KEN BLANCHARD COMPANIES	0100	Books Other Than Textbooks	\$ 891.53
14764221	3/29/2021	NAOMI DIEHL	0100	Mileage	\$ 8.51
14764222	3/29/2021	CATHEDRAL CATHOLIC HIGH SCHOOL	0100	Rents & Leases	\$ 3,595.00
14764223	3/29/2021	CRISTIANO CARVALHO	1300	Food Service Sales Oc	\$ 18.50
14764224	3/29/2021	AMAZON CAPITAL SERVICES	0100	Materials And Supplies	\$ 6,276.98
14764225	3/29/2021	AMERICAN SANITARY SUPPLY	0100	Materials And Supplies	\$ 4,089.27
14764226	3/29/2021	RUSSELL SIGLER INC	0100	Materials And Supplies	\$ 813.65
14764227	3/29/2021	EDCO WASTE & RECYCLING	0100	Rubbish Disposal	\$ 544.33
14764228	3/29/2021	GRAINGER	0100	Materials And Supplies	\$ 1,123.05
14764229	3/29/2021	HOME DEPOT CREDIT SERVICES	0100	Materials And Supplies	\$ 316.45
14764230	3/29/2021	LAB-AIDS	0100	Materials And Supplies	\$ 1,473.70
14764231	3/29/2021	PACIFIC BACKFLOW, INC	0100	Repairs & Maintenance	\$ 817.09
14764232	3/29/2021	PACWEST AIR FILTER	0100	Materials And Supplies	\$ 2,541.28
14764233	3/29/2021	PROCURETECH	0100	Materials And Supplies	\$ 228.43
14764234	3/29/2021	RANCHO SANTA FE SEC SYSTEMS	0100	Other Serv.& Oper.Exp.	\$ 536.00
14764235	3/29/2021	SAN DIEGO CITY TREASURER	0100	Sewer Charges	\$ 655.56
				Water	\$ 6,645.36
14764236	3/29/2021	STAPLES ADVANTAGE	0100	Materials And Supplies	\$ 1,184.96
14764237	3/29/2021	WestEd	0100	Professional/Consult Svs	\$ 850.00
14765000	4/1/2021	C D L SERVICES INC	0100	Materials And Supplies	\$ 2,264.15
14765001	4/1/2021	MARK MILLER	0100	Conference,Workshop,Sem.	\$ 810.70
14765002	4/1/2021	KELLY PAPER	0100	Materials And Supplies	\$ 1,625.57
14765003	4/1/2021	ROBERTS, SUZANNE	0100	Prof.Growth Incentive	\$ 75.00
14765004	4/1/2021	KELLY CASASSA	0100	Conference,Workshop,Sem.	\$ 164.00
14765005	4/1/2021	LASERCYCLE USA INC	0100	Materials And Supplies	\$ 437.17
14765006	4/1/2021	ROYAL LINES CHARTERS LLC	0100	Fld. Trips By Prv. Contr	\$ 781.96
14765007	4/1/2021	ROMERO, CRUZ	0100	Mileage	\$ 328.16
14765008	4/1/2021	BOOT WORLD INC	0100	Materials And Supplies	\$ 290.54
14765009	4/1/2021	FACILITRON, INC.	0100	Rents & Leases	\$ 16,262.40
14765010	4/1/2021	LASER CLASSROOM LLC	0100	Materials And Supplies	\$ 48.91

ITEM 9a-iv

WARRANT REPORT FROM 03/05/21 THROUGH 04/12/21

WARRANT NBR	DATE	VENDOR	FUND	DESCRIPTION	AMOUNT
14765011	4/1/2021	SHINKRE, PRIYADA	1300	Food Service Sales Tp	\$ 6.50
14765012	4/1/2021	AT&T	0100	Communications-Telephone	\$ 44.63
14765013	4/1/2021	AMAZON CAPITAL SERVICES	0100	Materials And Supplies	\$ 5,257.91
14765015	4/1/2021	AMERICAN SANITARY SUPPLY	0100	Materials And Supplies	\$ 1,850.77
14765016	4/1/2021	LIQUID ENVIRONMENTAL SOLUTIONS	0100	Repairs & Maintenance	\$ 1,044.90
14765017	4/1/2021	CA DEPT OF ED-FOOD DISTR.	1300	Purchases Food	\$ 116.85
14765018	4/1/2021	COLLEGE ENTRANCE EXAM BOARD	0100	Materials And Supplies	\$ 5,251.00
14765019	4/1/2021	COX BUSINESS	0100	Communications-Telephone	\$ 467.92
14765020	4/1/2021	DEMCO	0100	Materials And Supplies	\$ 43.46
14765021	4/1/2021	IPROMOTEU	0100	Materials And Supplies	\$ 1,624.35
14765022	4/1/2021	DUNN EDWARDS CORP	0100	Materials And Supplies	\$ 244.13
14765023	4/1/2021	FRONTIER FENCE COMPANY INC	2519	Land Improvements	\$ 25,945.00
14765024	4/1/2021	GRAINGER	0100	Materials And Supplies	\$ 470.98
14765025	4/1/2021	HOME DEPOT CREDIT SERVICES	0100	Materials And Supplies	\$ 56.75
14765026	4/1/2021	INDIAN PRODUCT	0100	Materials And Supplies	\$ 1,237.50
14765027	4/1/2021	LAWNMOWERS PLUS INC	0100	Repairs & Maintenance	\$ 2,341.83
14765028	4/1/2021	MACGILL DISCOUNT SCHOOL NURSE	0100	Materials And Supplies	\$ 124.33
14765029	4/1/2021	MCMASER-CARR	0100	Materials And Supplies	\$ 39.35
14765030	4/1/2021	MISSION FEDERAL CREDIT UNION	0100	Materials And Supplies	\$ 13,088.41
14765031	4/1/2021	OAK GROVE INSTITUTE	0100	Other Contr-N.P.S. Room & Board	\$ 3,400.00 \$ 19,015.14
14765032	4/1/2021	PACIFIC BACKFLOW, INC	0100	Other Serv.& Oper.Exp. Repairs & Maintenance	\$ - \$ 716.49
14765033	4/1/2021	PERMA BOUND	0100	Books Other Than Textbooks	\$ 664.60
14765034	4/1/2021	PROCURETECH	0100	Materials And Supplies	\$ 313.01
14765035	4/1/2021	RALPHS CUSTOMER CHARGES	0100	Materials And Supplies	\$ 338.02
14765036	4/1/2021	LAURA ROMANO	0100	Legal Expense	\$ 2,062.50
14765037	4/1/2021	SHELL CAR WASH & EXPRESS LUBE	0100	Fuel Materials And Supplies	\$ 125.90 \$ 263.35
14765038	4/1/2021	JOHNSON CONTROLS FIRE PROTECTION LP	0100	Repairs & Maintenance	\$ 534.50
14765039	4/1/2021	STAPLES ADVANTAGE	0100	Materials And Supplies	\$ 3,262.16
14765040	4/1/2021	STAPLES ADVANTAGE	0100	Printing	\$ 1,338.74
14765041	4/1/2021	STAPLES ADVANTAGE	1300	Materials And Supplies	\$ 151.22
14765042	4/1/2021	WESTERN ENVIRONMENTAL & SAFETY	4000	Improvements	\$ 1,100.00
14765043	4/1/2021	XEROX CORPORATION	0100	Copy Charges Rents & Leases	\$ 298.04 \$ 2,515.60
14765739	4/5/2021	ROGUE FITNESS	0100	Materials And Supplies	\$ 1,036.65
14765740	4/5/2021	ARBOR SCIENTIFIC	0100	Materials And Supplies	\$ 274.73
14765741	4/5/2021	ROSELLA ARCE	0100	Mileage	\$ 503.89
14765742	4/5/2021	LASERCYCLE USA INC	1300	Materials And Supplies	\$ 448.67
14765743	4/5/2021	CHEMSEARCH FE	0100	Repairs & Maintenance	\$ 133.24
14765744	4/5/2021	TECH 24 COMMERCIAL FOODSERVICE REPAIR	1300	Repairs & Maintenance	\$ 344.83
14765745	4/5/2021	AMAZON CAPITAL SERVICES	0100	Materials And Supplies	\$ 474.12
14765746	4/5/2021	BLICK ART MATERIALS	0100	Materials And Supplies	\$ 25.41
14765747	4/5/2021	CDW GOVERNMENT	0100	Materials And Supplies Non-Capitalized Tech Equipment	\$ 419,438.49 \$ 7,369.10
14765748	4/5/2021	TCG ADMINISTRATORS/CALSTRS	0100	Professional/Consult Svs	\$ 718.00
14765749	4/5/2021	SPARKLETTS	0100	Materials And Supplies	\$ 313.57
14765750	4/5/2021	DIVISION OF THE STATE ARCHITECT	2519	New Construction	\$ 77,599.57
14765751	4/5/2021	FLINN SCIENTIFIC INC	0100	Materials And Supplies	\$ 407.49
14765752	4/5/2021	LLOYD PEST CONTROL	1300	Other Serv.& Oper.Exp.	\$ 415.00
14765753	4/5/2021	MCMAMARA PUMP & ELECTRIC INC	0100	Other Serv.& Oper.Exp.	\$ 450.00
14765754	4/5/2021	PACIFIC BACKFLOW, INC	0100	Other Serv.& Oper.Exp. Repairs & Maintenance	\$ - \$ 465.84
14765755	4/5/2021	PROCURETECH	0100	Materials And Supplies	\$ 63.57
14765756	4/5/2021	RIO GRANDE	0100	Materials And Supplies	\$ 245.80
14765757	4/5/2021	Ryonet Corporation	0100	Materials And Supplies	\$ 902.01
14765758	4/5/2021	SPRINT	0100	Communications-Telephone	\$ 2,109.19
14765759	4/5/2021	STAPLES ADVANTAGE	0100	Materials And Supplies	\$ 650.72
14765760	4/5/2021	UNITED SITE SERVICES	0100	Rents & Leases	\$ 1,125.67
14765761	4/5/2021	XEROX CORPORATION	0100	Copy Charges Rents & Leases	\$ 40.80 \$ 1,575.61
14766593	4/8/2021	PIONEER MFG. CO./ PIONEER ATHLETICS	0100	Materials And Supplies	\$ 19,759.39

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WARRANT REPORT FROM 03/05/21 THROUGH 04/12/21

WARRANT NBR	DATE	VENDOR	FUND	DESCRIPTION	AMOUNT
14766594	4/8/2021	CURRIER & HUDSON	0100	Legal Expense	\$ 10,822.50
14766595	4/8/2021	BOYS & GIRLS CLUB OF SAN DIEGUITO	0100	Rents & Leases	\$ 5,000.00
14766596	4/8/2021	RUHNAU CLARKE ARCHITECTS	2109	Improvements	\$ 2,061.38
			2139	Improvements	\$ 13,625.00
14766597	4/8/2021	BURNHAM BENEFITS INSURANCE SERVICES	0100	Professional/Consult Svs	\$ 7,083.33
14766598	4/8/2021	BRIGHTVIEW TREE CARE SERVICES	0100	Land Improvements	\$ 10,946.00
14766599	4/8/2021	NUTRIEN AG SOLUTIONS INC	0100	Materials And Supplies	\$ 8,193.44
14766600	4/8/2021	GALASSO'S BAKERY	1300	Purchases Food	\$ 1,549.65
14766601	4/8/2021	NOVA ENGINEERING, INC.	0100	Land Improvements	\$ 2,640.00
14766602	4/8/2021	SSID# 5172707790	0100	Other Serv.& Oper.Exp.	\$ 785.60
14766603	4/8/2021	RICK LOPEZ	0100	Mileage	\$ 48.16
14766604	4/8/2021	St.Johnsbury Academy	0100	Conference,Workshop,Sem.	\$ 645.00
14766605	4/8/2021	PREMIER CHEVROLET OF CARLSBAD	0100	Materials-Vehicle Parts	\$ 30.65
14766606	4/8/2021	ATVANTAGE	0100	Professional/Consult Svs	\$ 27,342.00
14766607	4/8/2021	A1 GOLF CARS, INC	0100	Repairs & Maintenance	\$ 365.05
14766608	4/8/2021	ADVANTAGE PAYROLL SERVICES	0100	Other Serv.& Oper.Exp.	\$ 63.50
14766609	4/8/2021	AMAZON CAPITAL SERVICES	0100	Materials And Supplies	\$ 93.10
				Non-Capitalized Equipment	\$ -
14766610	4/8/2021	CA DEPT OF ED-FOOD DISTR.	1300	Purchases Food	\$ 156.75
14766611	4/8/2021	ANIXTER, INC	0100	Materials And Supplies	\$ 490.78
14766612	4/8/2021	COLLEGE ENTRANCE EXAM BOARD	0100	Materials And Supplies	\$ 7,648.00
14766613	4/8/2021	COX BUSINESS	0100	Communications-Telephone	\$ 490.46
14766614	4/8/2021	CREATIVE BUS SALES, INC.	0100	Materials-Vehicle Parts	\$ 1,605.86
14766615	4/8/2021	D. A. D. ASPHALT, INC.	0100	Repairs & Maintenance	\$ 6,750.00
14766616	4/8/2021	CATAPULT K12	0100	Consultants-Computer	\$ 499.00
14766617	4/8/2021	DUNN EDWARDS CORP	0100	Materials And Supplies	\$ 30.77
14766618	4/8/2021	FAGEN FRIEDMAN & FULFROST, LLP	0100	Legal Expense	\$ 86.03
14766619	4/8/2021	CORELOGIC SOLUTIONS, LLC	0100	Computer Licensing	\$ 646.03
14766620	4/8/2021	GOLD STAR FOODS	0100	Materials And Supplies	\$ 109.40
			1300	Purchases Food	\$ 5,303.52
14766621	4/8/2021	HERITAGE SCHOOLS, INC.	0100	Other Contr-N.P.S.	\$ 8,141.50
				Sub/Mental Health Svcs	\$ 14,278.00
				Sub/Other Contr-Nps	\$ 6,057.50
				Sub/Room & Board	\$ 30,444.00
14766622	4/8/2021	HOME DEPOT CREDIT SERVICES	0100	Materials And Supplies	\$ 2,635.46
14766623	4/8/2021	OLIVENHAIN MUNICIPAL WATER DST	0100	Water	\$ 2,803.97
14766624	4/8/2021	SAN DIEGO CITY TREASURER	0100	Sewer Charges	\$ 617.90
				Water	\$ 937.48
14766625	4/8/2021	SAN DIEGO COUNTY OFFICE OF EDUCATION	0100	Conference,Workshop,Sem.	\$ 60.00
14766626	4/8/2021	SANTA FE IRRIGATION DISTRICT	0100	Water	\$ 2,323.15
14766627	4/8/2021	SCHOOL SERVICES OF CALIFORNIA, INC.	0100	Professional/Consult Svs	\$ 325.00
14766628	4/8/2021	SIEMENS INDUSTRY, INC.	0100	Other Serv.& Oper.Exp.	\$ 32,602.00
14766629	4/8/2021	SIEMENS INDUSTRY, INC.	2518	Professional/Consult Svs	\$ 24,864.00
14766630	4/8/2021	SMART AND FINAL STORES CORP	0100	Materials And Supplies	\$ 1,279.55
14766631	4/8/2021	SC Fuels	0100	Fuel	\$ 12,677.79
14766632	4/8/2021	STAPLES ADVANTAGE	0100	Materials And Supplies	\$ 376.10
14766633	4/8/2021	SUNRISE PRODUCE	1300	Purchases Food	\$ 4,807.00
14766634	4/8/2021	TRIMARK ASSOCIATES, INC.	0100	Data Processing Contract	\$ 236.00
14766635	4/8/2021	VERDUGO TESTING CO., INC.	0100	Fees - Business, Admission,Etc	\$ 930.00
14766636	4/8/2021	ALBERTSONS SAFEWAY	0100	Materials And Supplies	\$ 46.17
14766637	4/8/2021	WESTAIR GASES & EQUIPMENT	0100	Rents & Leases	\$ 154.67
14766638	4/8/2021	WESTBERG & WHITE, INC.	2139	New Construction	\$ 11,322.00
14766639	4/8/2021	SAN DIEGO FRICTION PRODUCTS	0100	Materials-Vehicle Parts	\$ 1,165.40
14766640	4/8/2021	WINSTON SCHOOL OF SAN DIEGO	0100	Other Contr-N.P.S.	\$ 19,899.00
14767574	4/12/2021	FERGUSON ENTERPRISES LLC #1350	0100	Materials And Supplies	\$ 999.34
14767575	4/12/2021	SAN DIEGO REFRIGERATION	0100	Repairs & Maintenance	\$ 379.83
14767576	4/12/2021	C D L SERVICES INC	0100	Materials And Supplies	\$ 362.52
14767577	4/12/2021	CHELSEA PEST AND TERMITE	0100	Pest Control	\$ 250.00
14767578	4/12/2021	Colleen Owens	0100	Mileage	\$ 27.44
14767579	4/12/2021	RODRIGUEZ, DANIEL	0100	Mileage	\$ 68.60
14767580	4/12/2021	AMERICAN FIDELITY ADMIN SVCS, LLC	0100	Professional/Consult Svs	\$ 1,947.35
14767581	4/12/2021	VISTA TREE SERVICE INC	0100	Other Serv.& Oper.Exp.	\$ 8,500.00
14767582	4/12/2021	AFFORDABLE DRAIN SERVICE INC	0100	Repairs & Maintenance	\$ 500.00

ITEM 9a-iv

WARRANT REPORT FROM 03/05/21 THROUGH 04/12/21

WARRANT NBR	DATE	VENDOR	FUND	DESCRIPTION	AMOUNT
14767583	4/12/2021	AMAZON CAPITAL SERVICES	0100	Materials And Supplies	\$ 1,246.85
14767584	4/12/2021	AMERICAN SANITARY SUPPLY	0100	Materials And Supplies	\$ 405.95
14767585	4/12/2021	RICHARD AYALA	0100	Refreshments	\$ 201.82
14767586	4/12/2021	CA ASSN OF SCHOOL BUSINESS OFFICIALS	0100	Conference,Workshop,Sem.	\$ 1,745.00
14767587	4/12/2021	CDW GOVERNMENT	0100	Materials And Supplies	\$ 1,528.92
14767588	4/12/2021	CA AGRI CONTROL INC	0100	Pest Control	\$ 700.00
14767589	4/12/2021	CHERYL COOPER	0100	Mileage	\$ 12.32
14767590	4/12/2021	COUNTY OF SAN DIEGO, DEH	0100	Fees - Business, Admission,Etc	\$ 1,990.00
14767591	4/12/2021	D A D ASPHALT, INC.	2519	Land Improvements	\$ 7,500.00
14767592	4/12/2021	SPARKLETTS	0100	Materials And Supplies	\$ 499.20
14767593	4/12/2021	EDCO WASTE & RECYCLING	0100	Rubbish Disposal	\$ 4,781.98
14767594	4/12/2021	ENCINITAS FORD	0100	Materials-Vehicle Parts	\$ 231.14
14767595	4/12/2021	Fred Finch Youth Center	0100	Other Contr-N.P.S.	\$ 7,842.07
14767596	4/12/2021	KASEY R. GALIK	0100	Mileage	\$ 82.88
14767597	4/12/2021	HOME DEPOT CREDIT SERVICES	0100	Materials And Supplies	\$ 591.21
14767598	4/12/2021	LAWNMOWERS PLUS INC	0100	Repairs & Maintenance	\$ 79.56
14767599	4/12/2021	MISSION LINEN SUPPLY	0100	Other Serv.& Oper.Exp.	\$ 273.23
14767600	4/12/2021	NAPA AUTO PARTS	0100	Materials And Supplies	\$ 73.18
				Materials-Vehicle Parts	\$ 1,602.54
14767601	4/12/2021	New Haven Youth & Family Services	0100	Other Contr-N.P.A.	\$ 23,034.11
14767602	4/12/2021	ORANGE COUNTY DEPT OF ED	0100	Conference,Workshop,Sem.	\$ 230.00
14767603	4/12/2021	SAN DIEGO CENTER FOR CHILDREN	0100	Other Contr-N.P.S.	\$ 7,186.58
14767604	4/12/2021	STAPLES ADVANTAGE	0100	Materials And Supplies	\$ 586.29
14767605	4/12/2021	TOXGUARD FLUID TECHNOLOGY	0100	Materials-Vehicle Parts	\$ 197.42
				Hazardous Waste Disposal	\$ 20.00
14767606	4/12/2021	UNITED SITE SERVICES	0100	Rents & Leases	\$ 414.98
14767607	4/12/2021	WAXIE SANITARY SUPPLY	0100	Materials And Supplies	\$ 2,313.68

Report Total

\$ 2,395,983.92

ITEM 9a-iv

RCF REPORT FROM 03/05/21 THROUGH 04/12/21

CK NBR	DATE	NAME/VENDOR	DESCRIPTION	AMOUNT
	3/31/2021	CA BANK & TRUST	Service Charge: March 2021	\$ 28.37
11847	3/8/2021	CATHY MARQUARDT	GARN RELEASE	\$ 1,807.36
11848	3/8/2021	VOID CHECKS	PAYROLL:FEB 2021	\$ -
11849	3/8/2021	BREANNA BASSETT	PETTY CASH: COAST ACADEMY /ATP	\$ 64.58
11850	3/16/2021	JACQUELINE CAMPBELL	reissue 11751; payroll Aug 2019	\$ 63.20
11851	3/16/2021	MALIA MCGRATH	PETTY CASH: ATP / COAST ACADEMY	\$ 69.73
11852	3/16/2021	GEOFF TOBIAS	PETTY CASH: ATP/ COAST ACADEMY	\$ 35.60
11853	3/25/2021	CAROLYN WONG	PETTY CASH: ATP/COAST ACADEMY	\$ 40.74
11854	3/30/2021	GEOFF TOBIAS	PETTY CASH: COAST ACADEMY/ATP	\$ 61.58
11855	4/6/2021	JASMINE STANLEY	Payroll: March 2021	\$ 2,800.00
11856	4/8/2021	SARAH JAIME	Garnishment Release	\$ 657.65
11857	4/8/2021	SUSANA KRAVZOV	Garnishment Release	\$ 501.96

\$ 6,130.77

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: April 7, 2021

BOARD MEETING DATE: April 22, 2021

PREPARED BY: John Addleman, Exec. Director of Planning Services
Tina M. Douglas, Associate Superintendent,
Business Services

SUBMITTED BY: Robert A. Haley, Ed.D., Superintendent

SUBJECT: APPROVAL OF GUARANTEED MAXIMUM PRICE /
TORREY PINES HIGH SCHOOL I BUILDING
MODERNIZATION AND NEW DIGITAL
ARTS/ARTS CLASSROOM BUILDING PROJECT
PART 1

EXECUTIVE SUMMARY

At the April 21, 2020 board meeting, the board adopted the resolution approving and authorizing execution of Site Lease, Sublease Agreement and Preconstruction & Construction Services Agreement for the Lease-Leaseback Agreement with C.W. Driver, LLC (“Driver”) for the Torrey Pines High School I Building Modernization and New Digital Arts/Arts Classroom Building Project at the preliminary Guaranteed Maximum Price (“GMP”) of \$18,305,417.

On March 18, 2021, the board approved issuing the Notice to Proceed (NTP) with the abatement and demolition portion only of the project, in order to maximize the work that could be conducted during the site’s spring recess.

In total, Part 1 includes the modernization of an existing Innovation Building with a food service facility, lunch shelter, Makerspace classroom and adjacent CAD computer lab; Digital Arts classroom, site work, seismic upgrades, re-roofing of the building and replacement of rooftop mechanical units.

Bids for the remaining Part 1 trades of the project were conducted by Driver under the supervision of District staff with 115 contractors responding across 26 bid packages, resulting in a Part 1 final GMP of \$9,551,652. The final GMP for Part 1 includes costs associated with additional structural requirements compelled by the Division of State Architect, as well additional underground utilities to support food service and future components of Part 2 of the Project for a total increase of \$146,235. The revised GMP of \$18,451,652 is allocated as follows:

Part 1 Final GMP	\$9,551,652
Part 2 Preliminary GMP	\$8,900,000

RECOMMENDATION:

It is recommended that the Board approve the final Guaranteed Maximum Price (GMP) for Part 1 of the Lease-Leaseback Services contract with C.W. Drive, LLC for the Torrey Pines High School I Building Modernization and New Digital Arts/Arts Classroom Building Project.

FUNDING SOURCE:

Building Fund Prop 39 – Fund 21-39, Mello-Roos Funds and Fund 40-00.

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: April 12, 2021

BOARD MEETING DATE: April 22, 2021

PREPARED BY: Bryan Marcus
Associate Superintendent / Educational Services

SUBMITTED BY: Robert A. Haley, Ed.D., Superintendent

SUBJECT: ACCEPTANCE OF WILLIAMS COMPLAINT
QUARTERLY REPORT, 2020-21 3RD QUARTER,
JANUARY – MARCH, 2021

EXECUTIVE SUMMARY

State law requires school districts to submit reports to the San Diego County Office of Education (SDCOE) and to the district governing board on the number of complaints each district has received related to the Williams Settlement, i.e., instructional materials sufficiency, emergency facilities issues, and teacher vacancies and misassignments.

Attached is the report for the third quarter, 2020-21, from January through March, 2021.

RECOMMENDATION:

It is recommended that the Board review and accept the attached Williams Complaint Report for the third quarter, from January through March, 2021, as shown in the attached supplement.

FUNDING SOURCE:

Not applicable.

Academic School Year 2020-2021
Quarterly Report on Williams Uniform Complaints
 [Education Code § 35186]

ITEM 9a-vi

District: San Dieguito Union High School District

Person completing this form:

Lesley Rhodes Title:

Executive Assistant

Quarterly Report Submission Date:

 Jul 1 – Sep 30, 2020 Oct 1 – Dec 31, 2020 Jan 1 – Mar 31, 2021 Apr 1 – Jun 30, 2021

Date for information to be reported publicly at governing board meeting:

April 22, 2021

- No complaints were filed with any school in the district during the quarter indicated above.
- Complaints were filed with schools in the district during the quarter indicated above. The following chart summarizes the nature and resolution of these complaints.

GENERAL SUBJECT AREA	TOTAL # OF COMPLAINTS	# RESOLVED	# UNRESOLVED
Textbooks and Instructional Materials	0	0	0
Teacher Vacancy of Misassignments	0	0	0
Facilities Conditions	0	0	0
TOTALS	0	0	0

Submitted by Bryan Marcus, Associate Superintendent / Educational Services

Signature: 

4/16/21

Date: April 12, 2021

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: April 16, 2021

BOARD MEETING DATE: April 22, 2021

PREPARED BY: Tiffany Hazlewood, Director of School & Student Services
Mark Miller, Deputy Superintendent

SUBMITTED BY: Robert A. Haley, Ed.D., Superintendent

SUBJECT: APPROVAL OF PARENT SETTLEMENT AND RELEASE AGREEMENT

EXECUTIVE SUMMARY

The attached Special Education Agreement report for Parent Settlement and Release Agreements summarizes one Settlement Agreement that provides services for special education students.

RECOMMENDATION:

The administration recommends that the Board approve and/or ratify the contracts as shown on the attached Special Education Agreement report.

FUNDING SOURCE:

As noted on the attached report.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT BOARD MEETING

ITEM 9a-vii

SPECIAL EDUCATION AGREEMENTSBoard Meeting Date: 04/22/21

<u>Student #</u>	<u>Description of Services</u>	<u>Date Executed</u>	<u>Budget #</u>	<u>Amount</u>
2020-146PS	Pursuant to the Settlement Agreement, a negotiated agreement has been reached between the San Dieguito Union High School District and student #2020-146PS for educationally related services through 12/31/21	03/12/21	General Fund/ Restricted 01-00	\$7,250.00

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: April 12, 2021

BOARD MEETING DATE: April 22, 2021

PREPARED BY: Cindy Frazee
Associate Superintendent, Human Resources

SUBMITTED BY: Robert A. Haley, Ed.D.
Superintendent

SUBJECT: APPROVAL/RATIFICATION OF
CERTIFICATED and CLASSIFIED
PERSONNEL REPORTS

EXECUTIVE SUMMARY

Please find the following Personnel actions attached for Board approval:

Certificated

Employment
Change in Assignment
Leave of Absence
Resignation

Classified

Employment
Change in Assignment
Leave of Absence
Resignation

RECOMMENDATION:

It is recommended that the Board approve/ratify the attached Personnel actions.

FUNDING SOURCE:

General Fund

PERSONNEL LIST

CERTIFICATED PERSONNEL

Employment

1. **Adam Milholland**, 60% Temporary Teacher (science), at Carmel Valley Middle School, for the 20-21 school year, effective 04/12/2021 – 06/11/2021.

Change In Assignment

1. **Alexandra Pop**, 100% Temporary Teacher (science), at Carmel Valley Middle School, for the 20-21 school year, effective 4/12/2021 – 06/11/2021.
2. **Heidi Robson**, 100% Teacher (math), at Earl Warren Middle School (80%) and Teacher on Special Assignment (20%) at the district office, effective 4/12/2021 – 06/11/2021.

Resignation

1. **Derek Brunkhorst**, Teacher (video/film), at Torrey Pines High School, retiring from employment effective 06/11/2021.
2. **Susan Coppock**, Teacher (English), at San Dieguito High School Academy, retiring from employment effective 06/11/2021.
3. **Dustin Lacky**, Teacher (physical education/athletic director), at Canyon Crest Academy High School and Torrey Pines High School, resigning from employment effective 06/11/2021.
4. **Hannah Martin**, Speech-Language Pathologist, at Carmel Valley Middle School, resigning from employment effective 06/11/2021.
5. **Rayna Milner**, Teacher (dance), at Canyon Crest Academy High School, resigning from employment effective 06/11/2021.
6. **Meredith Reeve**, Teacher (special education), at Canyon Crest Academy High School, resigning from employment effective 06/11/2021.
7. **Graciela Sanchez**, School Psychologist, at the District Office, resigning from employment effective 06/11/2021.
8. **Joell Schwartz**, Teacher (English), at Torrey Pines High School, resigning from employment effective 06/11/2021.
9. **Allan Tomlinson**, Teacher (physical education), at Torrey Pines High School, retiring from employment, effective 06/11/2021.

Leave of Absence

1. **Sharon Dasho**, Teacher (science), at Canyon Crest High School Academy, requests a 100% Leave of Absence (0% assignment) for the period of 04/12/2021 – 06/11/2021.

PERSONNEL LIST**Substitute Teachers**

Allendez, Paola, effective 4/9/2021
Barry, Jason, effective 3/11/2021
Beyer, Brenda, effective 4/7/2021
Boyle, Katie, effective 3/24/2021
Brown, Jacob, effective 3/17/2021
Byrne, Ellen, effective 4/9/2021
Campbell, Kasondra, effective 3/22/2021
Carnes, Steven, effective 3/11/2021
Clifner, Lance, effective 3/18/2021
Comella, Brandon, effective 3/23/2021
Cooley, Josephine, effective 3/17/2021
Croft, John, effective 3/19/2021
Daniels, Erika, effective 3/11/2021
Dey, Naina, effective 3/30/2021
Figueroa, Nidia, effective 3/23/2021
Ghinazzi, Janie, effective 3/23/2021
Girand, Christopher, effective 3/23/2021
Haider, Kurt, effective 3/15/2021
Juarez Jr., Andres, effective 4/9/2021
Keith, Heather, effective 3/15/2021
Kosviner, Ezra, effective 4/9/2021
Langstaff, Taylor, effective 03/19/2021
Lax, Jill, effective 03/25/2021
McGowan, Joanna, effective 3/15/2021
Pettek, Brody, effective 3/24/2021
Priest, Mitchell, effective 3/25/2021
Prosser, Lauren, effective 3/29/2021
Reaber, Christina, effective 3/15/2021
Robles, Jenna, effective 3/18/2021
Ruetten, Amanda, effective 3/11/2021
Stanley, Jacqueline, effective 3/15/2021
Stephenson, Laura, effective 4/7/2021
Warmerdam, Christina, effective 3/26/2021
Watts, Kayla, effective 3/25/2021

PERSONNEL LIST

CLASSIFIED PERSONNEL

Employment

1. **Coaches**, employment for the 2020-21 school year per attached supplement through 06/30/21.
2. **Barney, Brooke**, Secretary, SR36, 100% FTE, Oak Crest Middle School, effective 04/12/2021.
3. **Go, Arlene**, HR Technician, SR42, 100% FTE, District Office-Human Resources Department, effective 03/29/2021.
4. **Markovic, Maja**, Student Health Care Specialist, SR38. 100.00% FTE, Torrey Pines High School, effective 04/12/2021.
5. **Medina, Laura**, Contracts Analyst, SR62, 100% FTE, District Office-Purchasing Department, effective 04/01/2021.
6. **Solis Pacheco, Cesar**, Campus Supervisor, SR32, 100% FTE, Earl Warren Middle School, effective 03/15/21.
7. **Ruiz Valerio, Samantha**, Campus Supervisor, SR32, 100% FTE, Canyon Crest Academy, effective 04/01/2021.

Change in Assignment

1. **Miller, Carie**, from Health Technician, SR35, 100% FTE, Torrey Pines High School, to Receptionist, SR32, 100% FTE, Torrey Pines High School, effective 03/22/2021.

Leave of Absence

1. **Diaz, Nicholas**, Instructional Assistant-SpEd (BI), SR36, 75% FTE, Pacific Trails Middle School, requests a 100.00% Unpaid Leave of Absence, effective 03/08/21 through 06/11/21.

Resignation

1. **Bostwick, Linda**, Instructional Assistant-SpEd (NS), SR34, 48.75% FTE, San Dieguito High School Academy, effective 03/19/21.
2. **Brent, Ryan**, Campus Supervisor, SR32, 100.00% FTE, San Dieguito High School Academy, effective 03/05/21.
3. **Busch, Jacqueline**, Campus Supervisor, SR32, 100.00% FTE, Canyon Crest Academy, resignation for the purpose of retirement, effective 03/31/21.
4. **Daymude, David**, Nutrition Services Transporter I, SR27, 34.38% FTE, San Dieguito High School Academy, effective 03/15/21.
5. **Maki, Camilla**, Instructional Assistant-SpEd (NS), SR34, 48.75% FTE, Oak Crest Middle School, effective 03/04/21.
6. **Sabin, Bridget**, Registrar, SR40, 100% FTE, San Dieguito High School Academy, resignation for the purpose of retirement, effective 07/30/21.
7. **Sherman, Adriana**, Secretary, SR36, 100.00% FTE, Torrey Pines High School, resignation for the purpose of retirement, effective 03/31/21.

Classified Personnel Supplement April 22, 2021

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Coaches**Canyon Crest Academy Certificated**

1. **Austin, Holly**, Girl's Lacrosse, Varsity Assistant, effective 03/08/2021
2. **Baum, Brian**, Boy's Basketball, Varsity Head, effective 03/08/2021
3. **Dickinson, Kathryn**, Girl's Soccer, Varsity Assistant, effective 03/08/2021
4. **Lockhart, Thomas Jr.**, Boy's Soccer, Varsity Head, effective 03/08/2021
5. **Mikkonen, Ryan**, Baseball, Varsity Head, effective 03/08/2021
6. **Reeve, Meredith**, Boy's Track, Varsity Assistant, effective 03/08/2021

Canyon Crest Academy Walk-On

1. **Allen, Blake**, Boy's Soccer, Varsity Head, effective 03/08/2021
2. **Bernabei, Jason**, Boy's Basketball, Freshmen Head, effective 03/15/2021
3. **Bigrigg, Michael**, Wrestling, Varsity Head, effective 03/08/2021
4. **Blackman, Larry**, Boy's Basketball, Varsity Assistant, effective 03/08/2021
5. **Cuatok, Luis**, Girl's Volleyball, Varsity Head, effective 03/08/2021
6. **Davis, Taylor**, Boy's Lacrosse, Varsity Assistant, effective 03/08/2021
7. **Favor, Matthew**, Girl's Soccer, Varsity Head, effective 03/08/2021
8. **Fleming, Ryan**, Boy's Basketball, Varsity Assistant, effective 03/08/2021
9. **Garcia, Adan**, Wrestling, Varsity Assistant, effective 03/08/2021
10. **Gladden, Frank**, Baseball, Freshmen Head, effective 03/08/2021
11. **Gotta, Nicholas**, Baseball, Varsity Assistant, effective 03/08/2021
12. **Husovsky, Gillian**, Girl's Lacrosse, Junior Varsity Head, effective 03/08/2021
13. **Kraszweski, Gabrielle**, Girl's Lacrosse, Varsity Head, effective 03/08/2021
14. **Lee, Paul**, Girl's Basketball, Varsity Head, effective 03/08/2021
15. **Liu, Oscar**, Badminton, Varsity Head, effective 03/08/2021
16. **Malott, Matthew**, Baseball, Varsity Assistant, effective 03/08/2021
17. **McCollum, Scott**, Boy's Water Polo, Varsity Head, effective 03/08/2021
18. **McCollum, Scott**, Girl's Water Polo, Varsity Head, effective 03/08/2021
19. **Michaels, Ryan**, Boy's Basketball, Junior Varsity Head, effective 03/08/2021
20. **Owens, Amaia**, Girl's Lacrosse, Junior Varsity Assistant, effective 03/08/2021
21. **Simpson, Austin**, Baseball, Junior Varsity Head, effective 03/08/2021
22. **Torres, Jose**, Girl's Soccer, Junior Varsity Head, effective 03/08/2021
23. **West, David**, Baseball, Varsity Assistant, effective 03/08/2021
24. **Yoeun, Charley**, Girl's Volleyball, Junior Varsity Assistant, effective 03/08/2021
25. **Ziamba, Lisa**, Girls Track, Varsity Assistant, effective 03/08/2021

La Costa Canyon High School Certificated

1. **Brubaker, Mark**, Boy's Volleyball, Varsity Head, effective 03/08/2021
2. **Brubaker, Mark**, Track, Junior Varsity Assistant, effective 03/08/2021
3. **Buth, Dwayne**, Wrestling, Varsity Head, effective 03/08/2021
4. **Cassaw, David**, Boy's Basketball, Varsity Head, effective 03/08/2021
5. **Christoff, Anne**, Girl's Basketball @ 50%, Varsity Assistant, effective 03/08/2021
6. **Eichlin, Caitlin**, Girl's Basketball, Varsity Head, effective 03/08/2021
7. **Happ, Justin**, Football, Varsity Assistant, effective 03/08/2021
8. **Machado, Justin**, Baseball, Varsity Head, effective 03/08/2021
9. **Stewart, John**, Boy's Volleyball, Junior Varsity Head, effective 03/08/2021
10. **Witzman, Adam**, Track, Junior Varsity Assistant, effective 03/08/2021

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La Costa Canyon High School Walk-On

1. **Alvarez, Jimmy Jr.**, Girl's Basketball, Junior Varsity Head, effective 03/18/2021
2. **Balderas, Jose**, Baseball @75%, Junior Varsity Head, effective 03/08/2021
3. **Barroso Palomo, Jose**, Baseball @ 60%, Freshmen Head, effective 03/08/2021
4. **Bowen, Bryne**, Football, Varsity Assistant, effective 03/08/2021
5. **Brouker, Katherine**, Girl's Volleyball, Junior Varsity Head, effective 03/08/2021
6. **Burke, Edward IV**, Baseball, Varsity Assistant, effective 03/08/2021
7. **Connelly, Michael**, Football @ 50%, Varsity Assistant, effective 03/08/2021
8. **Cooper, Aiden**, Boy's Soccer, Freshmen Head, effective 03/11/2021
9. **Cooper, Kevin**, Boy's Lacrosse, Varsity Head, effective 03/08/2021
10. **Dean, Craig**, Boy's Soccer, Varsity Head, effective 03/08/2021
11. **Dixon, Christopher**, Wrestling, Junior Assistant, effective 03/08/2021
12. **Durfee, Nolan**, Football @ 50%, Freshmen Assistant, effective 03/08/2021
13. **Dutton, Jonathan**, Baseball @ 50%, Varsity Assistant, effective 03/08/2021
14. **Frausto, Sebastian**, Boy's Basketball @50%, Freshmen Head, effective 03/08/2021
15. **Frausto, Sebastian**, Football, Varsity Assistant, effective 3/08/2021
16. **Gurly, Trent**, Boy's Soccer, Varsity Assistant, effective 03/08/2021
17. **Henry, Hannah**, Girl's Volleyball, Freshmen Head, effective 03/08/2021
18. **Hill, Jason**, Baseball @ 50%, Varsity Assistant, effective 03/08/2021
19. **Johnson, David**, Girl's Volleyball, Varsity Assistant, effective 03/08/2021
20. **Jordan, Taylor**, Girl's Soccer, Freshmen Head, effective 03/08/2021
21. **Mallory, Taylor**, Girl's Basketball @ 50%, Varsity Assistant, effective 03/25/2021
22. **Mays, Thomas**, Boy's Basketball, Junior Varsity Head, effective 03/08/2021
23. **McNaught-Davis Hess, Michaela**, Gymnastics, Varsity Head, effective 03/08/2021
24. **Moore, Damon**, Girl's Track, Junior Varsity Head, effective 03/08/2021
25. **Morrissey, Ryan**, Girl's Soccer, Varsity Head, effective 03/08/2021
26. **Morris, Christopher**, Boy's Volleyball, Varsity Assistant, effective 03/08/2021
27. **Morris, Rachel**, Girl's Volleyball, Varsity Head, effective 03/08/2021
28. **Morrison, Robert**, Boy's Lacrosse, Varsity Assistant, effective 03/08/2021
29. **Nutter, Patricia**, Softball, Junior Varsity Assistant, effective 03/08/2021
30. **Otten, Ryan**, Football @ 50%, Junior Varsity Assistant, effective 03/08/2021
31. **Owens, Erica**, Girl's Soccer, Varsity Assistant, effective 03/08/2021
32. **Parlier, Timothy**, Football, Varsity Assistant, effective 03/08/2021
33. **Paulsen, Mark**, Baseball @ 25%, Junior Varsity Head, effective 03/08/2021
34. **Ramirez, Michael**, Wrestling, Junior Assistant, effective 03/08/2021
35. **Rich, Joshua**, Football @ 50%, Varsity Assistant, effective 03/018/2021
36. **Samaniego, Corrie**, Girl's Soccer, Junior Varsity Head, effective 03/08/2021
37. **Simmons, Ryan**, Boy's Lacrosse, Varsity Assistant, effective 03/08/2021
38. **Solomon, Kimara**, Girl's Tennis, Varsity Head, effective 03/08/2021
39. **Strange, Colin**, Boy's Lacrosse, Junior Varsity Head, effective 03/08/2021
40. **Teisher, Griffin**, Baseball @ 40%, Freshmen Head, effective 03/10/2021
41. **Wilcox, Lindsey**, Girl's Lacrosse, Junior Varsity Head, effective 03/08/2021
42. **Witzman, Nicholas**, Football @ 50%, Freshmen Assistant, effective 03/08/2021
43. **Wright, Rachel**, Softball, Varsity Head, effective 03/08/2021

San Dieguito Academy Certificated

1. **Brown, Darrin**, Girl's Volleyball, Junior Varsity Head, effective 03/08/2021
2. **De Jesus, Vicki**, Girl's Basketball, Junior Varsity Head, effective 03/08/2021
3. **Fletes, Leo Jr.**, Baseball, Varsity Assistant, effective 03/08/2021
4. **Gibson, Ty**, Boy's Basketball, Varsity Assistant, effective 03/08/2021
5. **Pecoraro, John**, Baseball, Varsity Assistant, effective 03/08/2021
6. **Raschke, William**, Girl's Volleyball, Varsity Head, effective 03/08/2021
7. **Reitz, Daniel**, Baseball, Varsity Assistant, effective 03/08/2021

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San Dieguito Academy Walk-On

1. **Corrao, Salvatore**, Softball, Varsity Head, effective 03/08/2021
2. **Eustace, Joshua**, Girl's Soccer, Junior Varsity Head, effective 03/08/2021
3. **Fletes, Carlos**, Baseball, Varsity Head, effective 03/08/2021
4. **Gonzalez Aguilar, Sergio**, Boy's Soccer, Freshmen Head, effective 03/08/2021
5. **Grah, Gunnar**, Boy's Volleyball, Junior Varsity Head, effective 03/08/2021
6. **Hoff, Taylor**, Boy's Volleyball, Varsity Assistant, effective 03/08/2021
7. **Holquin, Jay**, Boy's Lacrosse, Varsity Assistant, effective 03/08/2021
8. **Jackson, Willie**, Boy's Basketball, Varsity Assistant, effective 03/08/2021
9. **Kaczmarek, Charles**, Girl's Lacrosse, Varsity Head, effective 03/08/2021
10. **Kennedy, Marian**, Girl's Lacrosse, Junior Varsity Head, effective 03/08/2021
11. **Kling, Scott**, Boy's Water Polo, Varsity Head, effective 03/08/2021
12. **Oberhand, Jake**, Boy's Basketball, Junior Varsity Head, effective 03/10/2021
13. **Pardo, David**, Baseball, Junior Varsity Head, effective 03/08/2021
14. **Pardo, Matthew**, Baseball, Freshmen Head, effective 03/23/2021
15. **Peck, Brian**, Boy's Basketball, Freshmen Assistant, effective 03/08/2021
16. **Pupping, Joshua**, Boy's Basketball, Freshmen Head, effective 03/12/2021
17. **Ragan, John Jr.**, Girl's Volleyball, Freshmen Head, effective 03/08/2021
18. **Ramirez, Alexia**, Girl's Basketball, Varsity Assistant, effective 03/08/2021
19. **Shuldberg, Sara**, Girl's Lacrosse, Varsity Assistant, effective 03/08/2021
20. **Smithey, Aubree**, Girl's Basketball, Varsity Head, effective 03/08/2021
21. **Stewart, Jason**, Boy's Basketball, Varsity Head, effective 03/08/2021
22. **Thaisz, Richard**, Boy's Lacrosse, Varsity Head, effective 03/08/2021
23. **Wilson, Raymond**, Boy's Volleyball, Varsity Head, effective 03/08/2021
24. **Zeglen, Brian**, Softball, Junior Varsity Head, effective 03/08/2021

Torrey Pines High School Certificated

1. **Chodorow, Suzanne**, Cheerleading, Varsity Head, effective 03/08/2021
2. **Moore, Jonathan**, Softball, Varsity Head, effective 03/08/2021
3. **Neubauer, Julia**, Softball, Varsity Assistant, effective 03/08/2021
4. **Overman, Morgan**, Girl's Basketball, Varsity Head, effective 03/08/2021
5. **Wickman, Ryland**, Softball, Varsity Head, effective 03/08/2021

Torrey Pines High School Walk-On

1. **Acacio, Reynaldo**, Cheerleading, Junior Varsity Head, effective 03/08/2021
2. **Adams, Melissa**, Girl's Volleyball, Varsity Assistant, effective 03/08/2021
3. **Billmeyer, Alli**, Track @25%, Junior Varsity Assistant, effective 03/08/2021
4. **Bowman, Lindsay**, Field Hockey, Varsity Assistant, effective 03/08/2021
5. **Brown, Martin**, Wrestling, Varsity Assistant, effective 03/08/2021
6. **Carranza, Jose Angel**, Boy's Soccer, Junior Varsity Head, effective 03/08/2021
7. **Castillo, Casey**, Girl's Volleyball, Freshmen Head, effective 03/08/2021
8. **Castro, Jacob**, Girl's Water Polo, Varsity Head, effective 03/08/2021
9. **Chu, York**, Boy's Tennis, Varsity Head, effective 03/15/2021
10. **Ciancimino, James**, Football, Varsity Assistant, effective 03/08/2021
11. **Connors, Kelly**, Girl's Lacrosse, Varsity Assistant, effective 03/08/2021
12. **Diaz, Nicholas**, Boy's Basketball, Junior Assistant, effective 03/08/2021
13. **Doster, Austen**, Boy's Lacrosse, Varsity Assistant, effective 03/08/2021
14. **Fanitin, David**, Baseball, Freshmen Head, effective 03/08/2021
15. **Flannery, Cailin**, Field Hockey, Junior Varsity Assistant, effective 03/08/2021
16. **Forester, Hayley**, Girl's Lacrosse, Junior Varsity Head, effective 03/08/2021
17. **Harrison, Dax**, Football, Varsity Assistant, effective 03/08/2021
18. **Jasper, Stephen**, Boy's Volleyball, Freshmen Head, effective 03/08/2021

Torrey Pines High School Walk-On (continued)

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19. **Jimenez, Griffin**, Boy's Basketball, Freshmen Head, effective 03/08/2021
20. **Kuchta, Nathan**, Baseball, Varsity Assistant, effective 03/08/2021
21. **Lee, Wes Sr.**, Wrestling, Junior Varsity Head, effective 03/08/2021
22. **Malo, Sarah**, Cheerleading, Assistant Coach, effective 03/08/2021
23. **Mapes, Chelsea**, Girl's Lacrosse, Varsity Assistant, effective 03/08/2021
24. **McDonald, Kayla**, Field Hockey, Junior Varsity Assistant, effective 03/08/2021
25. **McEntee, Tanner**, Boy's Basketball, Varsity Assistant, effective 03/08/2021
26. **McLevie-Whatnall, Karen**, Girl's Basketball, Varsity Assistant, effective 03/08/2021
27. **Miller, Hannah**, Girl's Volleyball, Junior Varsity Head, effective 03/08/2021
28. **Moore, Brian**, Girl's Track, Junior Varsity Assistant, effective 03/08/2021
29. **Nguyen, Kaye**, Gymnastics, Varsity Head, effective 03/08/2021
30. **O'Neil, Dave**, Boy's Lacrosse, Varsity Assistant, effective 03/08/2021
31. **Olive, John**, Boy's Basketball, Varsity Head, effective 03/08/2021
32. **Rubacky, Nicholas**, Boy's Volleyball, Varsity Head, effective 03/08/2021
33. **Simis, Thomas**, Baseball, Varsity Head, effective 03/08/2021
34. **Sullivan, Brandon**, Football, Varsity Assistant, effective 03/19/2021
35. **Tower, Roger**, Wrestling, Varsity Head, effective 03/08/2021
36. **Wall, Erin**, Girl's Soccer, Varsity Assistant, effective 03/08/2021
37. **Wilson, John**, Boy's Lacrosse, Junior Varsity Head, effective 03/17/2021
38. **Winterfeldt, Brian**, Boy's Lacrosse, Varsity Assistant, effective 03/08/2021
39. **Zissi, Jono**, Boy's Lacrosse, Varsity Head, effective 03/08/2021

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: April 16, 2021

BOARD MEETING DATE: April 22, 2021

PREPARED & SUBMITTED BY: Robert A. Haley, Ed.D., Superintendent

SUBJECT: REPORT REGARDING THE 2020-21 and 2021-22 ACADEMIC YEARS REOPENING OF SCHOOLS, AND THE HOLDING OF EVENTS, CONSISTENT WITH THE CALIFORNIA DEPARTMENT OF PUBLIC HEALTH MANDATE/GUIDELINES AND THE SAN DIEGO COUNTY PUBLIC HEALTH ORDER

EXECUTIVE SUMMARY

1. Staff will present to the Board of Trustees an update on the planning for the 2020-21 academic year. The presentation will include the following:
 - a. Authorized Safe Reopening Plan(s) – Posted on Website(s)
 - b. Local Conditions – San Diego County
 - i. Tier Assignment
 - c. School Site Updates
 - d. Athletics Update
 - e. Graduation and Other Events Planning
2. Staff will present to the Board of Trustees an update on the planning for the 2021-22 academic year.

RECOMMENDATION:

It is recommended that the Board of Trustees receive the report, discuss, and direct staff accordingly.

FUNDING SOURCE:

N/A

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: April 12, 2021

BOARD MEETING DATE: April 22, 2021

PREPARED BY: Mark Miller, Deputy Superintendent

SUBMITTED BY: Robert A. Haley, Ed.D., Superintendent

SUBJECT: APPROVAL OF EXTRACURRICULAR AND CO-CURRICULAR PROBATION PERIOD / 2020-21 SCHOOL YEAR

EXECUTIVE SUMMARY

Assembly Bill 908 authorizes the governing board of each school district to adopt a policy that would allow a probationary period for extracurricular and co-curricular activities, including athletics, to exceed one semester in length through the completion of the 2020-21 school year due to the impact of Covid-19. Per Board Policy 6145, Extracurricular and Co-Curricular Activities, the Superintendent or designee may grant ineligible students a probationary period not to exceed one semester and students granted probation eligibility must meet required standards by the end of the probationary periods in order to remain eligible for participation.

RECOMMENDATION:

It is recommended that the Board authorize the superintendent or designee to approve a probationary period, exceeding one semester if necessary, through the 2020-21 school year due to the impact of COVID-19.

FUNDING SOURCE:

N/A

**Assembly Bill No. 908****CHAPTER 64**

An act to amend Sections 35160.5 and 49132 of, and to add Article 8 (commencing with Section 49200) to Chapter 7 of Part 27 of Division 4 of Title 2 of, the Education Code, relating to pupils, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor September 11, 2020. Filed with
Secretary of State September 11, 2020.]

LEGISLATIVE COUNSEL'S DIGEST

AB 908, O'Donnell. Pupils: extracurricular activities: work permits.

(1) Existing law requires the governing board of a school district that maintains one or more schools containing any of grades 7 to 12, inclusive, to establish a policy regarding participation in extracurricular and cocurricular activities by pupils in those grades as a condition for the receipt of specified school funding allocations. Existing law requires the policy to condition pupil participation in extracurricular and cocurricular activities upon satisfactory educational progress in the previous grading period. Existing law authorizes the governing board of each school district to adopt, as part of the policy, provisions that would allow a pupil who does not achieve satisfactory educational progress in the previous grading period to remain eligible to participate in extracurricular and cocurricular activities during a probationary period that does not exceed one semester in length. Existing law prohibits a pupil who does not achieve satisfactory educational progress during the probationary period from participating in extracurricular and cocurricular activities in the subsequent grading period.

This bill would authorize the governing board of each school district to adopt a policy that would allow a probationary period to exceed one semester in length through the completion of the 2020–21 school year due to the impact of COVID-19.

(2) Existing law prohibits a person, firm, or corporation from employing, suffering, or permitting any minor under 18 years of age to work in, or in connection with, any establishment or occupation without a permit to employ, issued by the proper educational officers, except as specified. Existing law authorizes, among others, the superintendent of a school district, a county superintendent of schools, and the chief executive officer of a charter school to issue a work permit to a minor, subject to specified requirements and conditions. Existing law prohibits issuance of a work permit to a minor until the minor accompanied by the minor's parent or guardian appears before the person authorized to issue the permit and makes application therefor.

This bill would authorize issuance of a work permit in the absence of the appearance of the minor and the minor's parent or guardian under specified conditions. The bill would authorize documentation required for purposes of issuance of a work permit to a minor to be submitted electronically during an extended school closure due to a natural disaster, pandemic, or other emergency. The bill would prohibit a work permit from being denied based on a pupil's grades, grade point average, or school attendance when the pupil's school has been physically closed for an extended time due to a natural disaster, pandemic, or other emergency.

(3) This bill would declare that it is to take effect immediately as an urgency statute.

The people of the State of California do enact as follows:

SECTION 1. Section 35160.5 of the Education Code is amended to read:

35160.5. (a) The governing board of a school district that maintains one or more schools containing any of grades 7 to 12, inclusive, as a condition for the receipt of inflation adjustments pursuant to Section 42238.02, as implemented by Section 42238.03, shall establish a school district policy regarding participation in extracurricular and cocurricular activities by pupils in grades 7 to 12, inclusive. The criteria, which shall be applied to extracurricular and cocurricular activities, shall ensure that pupil participation is conditioned upon satisfactory educational progress in the previous grading period.

(1) For purposes of this subdivision, "extracurricular activity" means a program that has all of the following characteristics:

(A) The program is supervised or financed by the school district.

(B) Pupils participating in the program represent the school district.

(C) Pupils exercise some degree of freedom in either the selection, planning, or control of the program.

(D) The program includes both preparation for performance and performance before an audience or spectators.

(2) For purposes of this subdivision, an "extracurricular activity" is not part of the regular school curriculum, is not graded, does not offer credit, and does not take place during classroom time.

(3) For purposes of this subdivision, a "cocurricular activity" is defined as a program that may be associated with the curriculum in a regular classroom.

(4) A teacher-graded or required program or activity for a course that satisfies the entrance requirements for admission to the California State University or the University of California is not an extracurricular or cocurricular activity as defined by this section.

(5) For purposes of this subdivision, "satisfactory educational progress" shall include, but not necessarily be limited to, both of the following:

(A) Maintenance of minimum passing grades, which is defined as at least a 2.0 grade point average in all enrolled courses on a 4.0 scale.

(B) Maintenance of minimum progress toward meeting the high school graduation requirements prescribed by the governing board.

(6) For purposes of this subdivision, “previous grading period” does not include a grading period in which the pupil was not in attendance for all, or a majority of, the grading period due to absences excused by the school for reasons such as serious illness or injury, approved travel, or work. In that event, “previous grading period” means the grading period immediately before the grading period or periods excluded pursuant to this paragraph.

(7) A program that has, as its primary goal, the improvement of academic or educational achievements of pupils is not an extracurricular or cocurricular activity as defined by this section.

(8) (A) The governing board of each school district may adopt, as part of its policy established pursuant to this subdivision, provisions that would allow a pupil who does not achieve satisfactory educational progress, as defined in paragraph (5), in the previous grading period to remain eligible to participate in extracurricular and cocurricular activities during a probationary period. The probationary period shall not exceed one semester in length, but may be for a shorter period of time, as determined by the governing board of the school district. A pupil who does not achieve satisfactory educational progress, as defined in paragraph (5), during the probationary period shall not be allowed to participate in extracurricular and cocurricular activities in the subsequent grading period.

(B) Notwithstanding subparagraph (A), the governing board of each school district may adopt a policy that would allow a probationary period to exceed one semester in length through the completion of the 2020–21 school year due to the impact of COVID-19.

(9) This subdivision does not preclude the governing board of a school district from imposing a more stringent academic standard than that imposed by this subdivision. If the governing board of a school district imposes a more stringent academic standard, the governing board shall establish the criteria for participation in extracurricular and cocurricular activities at a meeting open to the public pursuant to Section 35145.

(10) The governing board of each school district annually shall review the school district policies adopted pursuant to the requirements of this section.

(b) (1) On or before July 1, 1994, the governing board of each school district, as a condition for the receipt of school apportionments from the State School Fund, shall adopt rules and regulations establishing a policy of open enrollment within the district for residents of the district. This requirement does not apply to a school district that has only one school or a school district with schools that do not serve any of the same grade levels.

(2) The policy shall include all of the following elements:

(A) It shall provide that the parent or guardian of each schoolage child who is a resident in the district may select the schools the child shall attend, irrespective of the particular locations of the child’s residence within the district, except that school districts shall retain the authority to maintain appropriate racial and ethnic balances among their respective schools at the

school districts' discretion or as specified in applicable court-ordered or voluntary desegregation plans.

(B) It shall include a selection policy for a school that receives requests for admission in excess of the capacity of the school that ensures that selection of pupils to enroll in the school is made through a random, unbiased process that prohibits an evaluation of whether a pupil should be enrolled based upon the pupil's academic or athletic performance. The governing board of a school district shall calculate the capacity of the schools in the district for purposes of this subdivision in a nonarbitrary manner using pupil enrollment and available space. However, school districts may employ existing entrance criteria for specialized schools or programs if the criteria are uniformly applied to all applicants. This subdivision shall not be construed to prohibit school districts from using academic performance to determine eligibility for, or placement in, programs for gifted and talented pupils established pursuant to former Chapter 8 (commencing with Section 52200) of Part 28 of Division 4, as that chapter read on January 1, 2014.

(C) It shall provide that a pupil who currently resides in the attendance area of a school shall not be displaced by pupils transferring from outside the attendance area.

(3) Notwithstanding the requirement of subparagraph (B) of paragraph (2) that the policy include a selection policy for a school that receives requests for admission in excess of the capacity of the school that ensures that the selection is made through a random, unbiased process, the policy may include either of the following elements:

(A) (i) It may provide that special circumstances exist that might be harmful or dangerous to a particular pupil in the current attendance area of the pupil, including, but not necessarily limited to, threats of bodily harm or threats to the emotional stability of the pupil, that serve as a basis for granting a priority of attendance outside the current attendance area of the pupil. A finding of harmful or dangerous special circumstances shall be based upon either of the following:

(I) A written statement from a representative of the appropriate state or local agency, including, but not necessarily limited to, a law enforcement official or a social worker, or properly licensed or registered professionals, including, but not necessarily limited to, psychiatrists, psychologists, marriage and family therapists, clinical social workers, or professional clinical counselors.

(II) A court order, including a temporary restraining order and injunction, issued by a judge.

(ii) A finding of harmful or dangerous special circumstances pursuant to this subparagraph may be used by a school district to approve transfers within the district to schools that have been deemed by the school district to be at capacity and otherwise closed to transfers that are not based on harmful or dangerous special circumstances.

(B) It may provide that schools receiving requests for admission shall give priority for attendance to siblings of pupils already in attendance in

that school and to pupils whose parent or legal guardian is assigned to that school as their primary place of employment.

(4) To the extent required and financed by federal law and at the request of the pupil's parent or guardian, each school district shall provide transportation assistance to the pupil.

SEC. 2. Section 49132 of the Education Code is amended to read:

49132. (a) A permit shall not be issued until the minor accompanied by the minor's parent or guardian appears before the person authorized to issue the permit and submits the minor's application thereto.

(b) A permit shall not be denied for noncompliance with subdivision (a) if all of the following apply:

(1) The minor's school is physically closed for an extended period of time because of a natural disaster, pandemic, or other emergency.

(2) The minor's application is complete and has been successfully submitted electronically.

(3) The minor, accompanied by the minor's parent or guardian, has attended a video conference with the person issuing the work permit.

(c) This section shall apply only to minors subject to Section 49130.

SEC. 3. Article 8 (commencing with Section 49200) is added to Chapter 7 of Part 27 of Division 4 of Title 2 of the Education Code, to read:

Article 8. Permit to Work during Extended Emergency School Closure

49200. (a) Documentation required pursuant to this chapter, including signatures, may be collected electronically during an extended school closure due to a natural disaster, pandemic, or other emergency.

(b) A work permit shall not be denied based on a pupil's grades, grade point average, or school attendance when the pupil's school has been physically closed for an extended time due to a natural disaster, pandemic, or other emergency.

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the California Constitution and shall go into immediate effect. The facts constituting the necessity are:

COVID-19 is a global health crisis that has caused extended school closures in the 2019–20 school year. These school closures jeopardize the ability of pupils to participate in certain extracurricular activities in the 2020–21 school year and to obtain work permits to engage in part-time employment outside of school hours. In order to timely prevent these hardships to pupils due to COVID-19, it is necessary that this act take effect immediately.

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: April 12, 2021

BOARD MEETING DATE: April 22, 2021

PREPARED BY: Mark Miller, Deputy Superintendent

SUBMITTED BY: Robert A. Haley, Ed.D., Superintendent

SUBJECT: APPROVAL OF SAN DIEGO COUNTY OFFICE OF EDUCATION AND LOCAL SCHOOL DISTRICTS PLAN FOR SERVING EXPELLED STUDENTS, 2021-2024 & SAN DIEGUITO UNION HIGH SCHOOL DISTRICT PLAN FOR SERVING EXPELLED PUPILS FOR SAN DIEGO COUNTY OFFICE OF EDUCATION AND SAN DIEGO COUNTY DISTRICTS, 2021-2024

EXECUTIVE SUMMARY

The countywide plan for expelled students must be completed every three years per Education Code 48926. Each local school district must adopt the countywide plan as well as their individual plan.

RECOMMENDATION:

It is recommended the Board of Trustees approve the San Diego County Office of Education and Local School Districts Plan for Serving Expelled Students, 2021-2024 & San Dieguito Union High School District Plan for Serving Expelled Pupils for San Diego County Office of Education and San Diego County Districts, 2021-2024, as shown in the attached supplements.

FUNDING SOURCE:

No financial obligation to the district.

PLAN FOR SERVING EXPELLED PUPILS
SAN DIEGO COUNTY OFFICE OF EDUCATION
AND SAN DIEGO COUNTY DISTRICTS
2021 - 2024

San Diego County Office of Education

Superintendent

San Diego County Board of Education

Gregg Robinson
Guadalupe Gonzalez
Alicia Munoz
Paulette Donnellon
Rich Shea

Approved by the County Superintendent of Schools

Dr. Paul Gothold, Superintendent

Date

INTRODUCTION

Education Code - 49826

Each County superintendent of schools in counties that operate community schools pursuant to Section 1980, in conjunction with superintendents of the school districts within the County, shall develop a plan for providing educational services to all expelled pupils in that County. The plan shall be adopted by the governing board of each school district within the County and by the County Board of Education.

The plan shall enumerate existing educational alternatives for expelled pupils, identify gaps in educational services to expelled pupils, and strategies for filling those service gaps. The plan shall also identify alternative placement for pupils who are expelled and placed in district Community Day School programs, but who fail to meet the terms and conditions of their rehabilitation plan or who pose a danger to other district pupils, as determined by the governing board.

Each County superintendent of schools, in conjunction with the superintendents of the local school districts, shall submit to the Superintendent of Public Instruction the County plan for providing educational services to all expelled pupils in the County no later than June 30, 2003, and shall submit a triennial update to the plan to the Superintendent of Public Instruction, including the outcome data pursuant to Section 48916.(1) on June 30th thereafter.

Education Code - 48916. (1)

At the time an expulsion of a pupil is ordered, the governing board of the school district shall ensure that an educational program is provided to the pupil who is subject to the expulsion order for the period of the expulsion, but only the extent funds are appropriated for this purpose in the annual Budget Act or other legislation, or both.

San Diego County Plan

Educational programs within San Diego County provide numerous opportunities for students who are in need of traditional and/or alternative educational programs. Individual school districts offer a broad spectrum of service and the San Diego County Office of Education offers additional options, this combination provides a continuum of alternatives to expelled students.

A student whose behavior has resulted in expulsion is given a rehabilitation plan created by their district of residence. This plan may involve one or more of the options outlined in the 3-year plan [see matrices on Education Alternatives and Services for expelled students]. A student who is simply in the need of an educational alternative may also access these programs through a District and/or County referral process.

ITEM 10c

Gaps in Educational Services to Expelled Pupils and Strategies for Filling the Service Gaps

Four major gaps that were identified in 2003 and carried forward in subsequent plans through the 2012 - 15 version. Strategies were proposed and implemented to address these gaps over those years. For the 2015 - 18 plan, two of the original gaps remained, and three new gaps were identified. For the 2018 – 2021 plan, five gaps remained and were addressed. Updates and progress made are noted as “*Updated Information as of February 2021.*”

The gaps are addressed on subsequent pages. Strategies to address each gap are followed by a summary of the effectiveness of the strategies. Discussion summaries from previous plans are also included. Discussion centers on the following questions:

- a. Were the strategies successful? If not, what were the obstacles?
- b. What additional strategies were implemented? Were they successful?

Strategies, which were used to address each gap during 2018 - 2021, follow the discussion summary for each gap.

Alternative placements for pupils who are expelled and placed in district community day school programs but who fail to meet the terms and conditions of their rehabilitation plan or who pose a danger to other district pupils, as determined by the governing board are also outlined.

Finally, following the alternative placement are the regional articulations between districts and the County Office of Education which contains a discussion of the coordination between school districts and with the County office of education in providing educational placements for expelled pupils.

Much work on the countywide plan has been done since 2003; the San Diego County Plan for Serving Expelled Students for 2018 - 2021, is approved by both the local and county school boards and is signed by local district superintendents as well as the County superintendent of schools.

ITEM 10c

Administrator Recommendation of Expulsion		
MUST RECOMMEND EXPULSION (Mandatory Recommendation)	SHALL RECOMMEND UNLESS PARTICULAR CIRCUMSTANCES RENDER INAPPROPRIATE (Quasi-Mandatory Recommendation)	MAY RECOMMEND EXPULSION (Discretionary Recommendation)
<p>Education Code 48915(c) Limited to acts committed at school or at a school activity off school grounds.</p> <p>The principal or superintendent of schools shall immediately suspend and recommend expulsion of a pupil that he or she determines has committed any of the following acts:</p> <p>A. Possessing, selling, or otherwise furnishing a firearm.</p> <ul style="list-style-type: none"> • Does not apply to an act of possessing a firearm if the pupil had obtained prior written permission from the school. • Applies only if the act of possessing a firearm is verified by an employee of a school district. • Possessing an imitation firearm is not an offense for which suspension or expulsion is mandatory. <p>B. Brandishing a knife at another person.</p> <p>C. Unlawfully selling a controlled substance listed in Chapter 2 (commencing with Section 11053) of Division 10 of the Health and Safety Code.</p> <p>D. Committing or attempting to commit a sexual assault as defined in subdivision (n) of Section 48900 or committing a sexual battery as defined in subdivision (n) of Section 48900.</p> <p>E. Possession of an explosive.</p> <ul style="list-style-type: none"> • The term "explosive" mean "destructive device" as described in Section 921 of Title 18 of the United States Code. <p>Per EC 48915(e) the recommendation for expulsion shall be based on one or both of the following:</p> <p>(1) That other means of correction are not feasible or have repeatedly failed to bring about proper conduct.</p> <p>(2) That due to the nature of the violation, the presence of the pupil causes a continuing danger to the physical safety of the pupil or others.</p>	<p>Education Code 48915(a)(1) Limited to acts committed at school or at a school activity off school grounds.</p> <p>The principal or the superintendent of schools shall recommend the expulsion, unless the principal or superintendent determines that expulsion should not be recommended under the circumstances or that an alternative means of correction would address the conduct</p> <p>A. Causing serious physical injury to another person, except in self-defense.</p> <p>B. Possession of any knife or other dangerous object of no reasonable use to the pupil.</p> <p>C. Unlawful possession of any controlled substance listed in Chapter 2 (commencing with Section 11053) of Division 10 of the Health and Safety Code, except for either of the following:</p> <p>(i) The first offense for the possession of not more than one avoirdupois ounce of marijuana, other than concentrated cannabis.</p> <p>(ii) The possession of over-the-counter medication for use by the pupil for medical purposes or medication prescribed for the pupil by a physician.</p> <p>D. Robbery or extortion.</p> <p>E. Assault or battery, as defined in Sections 240 and 242 of the Penal Code, upon any school employee.</p> <p>Per EC 48915(b) the recommendation for expulsion shall be based on one or both of the following:</p> <p>(1) Other means of correction are not feasible or have repeatedly failed to bring about proper conduct.</p> <p>(2) Due to the nature of the act, the presence of the pupil causes a continuing danger to the physical safety of the pupil or others.</p>	<p>Education Code 48900. Includes acts committed while at school, while going to or coming from school, during activity whether on or off campus, or while going to and from a school activity.</p> <p>A. Physical injury</p> <ol style="list-style-type: none"> 1. caused, threatened or attempted 2. willful force or violence <p>B. dangerous objects</p> <p>C. alcohol or other drugs - under the influence</p> <p>D. Sale of look-alike substance represented to be alcohol or other drugs.</p> <p>E. Robbery/extortion</p> <p>F. Damage to property</p> <p>G. Theft</p> <p>H. tobacco</p> <p>I. obscenity/profanity/vulgarity</p> <p>J. drug paraphernalia</p> <p>K. disruption/defiance</p> <p>L. receipt of stolen property</p> <p>M. imitation firearm possession</p> <p>N. sexual assault or battery</p> <p>O. harassment, threatening a pupil witnesses</p> <p>p. selling the prescription drug soma</p> <p>q. engaged or attempted to engage in hazing</p> <p>r. bullying (including an electronic act) toward student(s) or school personnel</p> <p>s. aiding and abetting - infliction or attempted infliction of physical injury - (suspension only except as defined)</p> <ul style="list-style-type: none"> ▪ sexual harassment (EC 48900.2) (grades 4-12 only) ▪ hate violence (EC 48900.3) (grades 4-12 only) ▪ harassment, threats and intimation (EC48900.4) (grades 4-12 only) ▪ terrorist threats (EC 48900.7) ▪ electronic devices (EC 48901.5) <p>Per EC 48915(b) the recommendation for expulsion shall be based on one or both of the following:</p> <p>(1) Other means of correction are not feasible or have repeatedly failed to bring about proper conduct.</p> <p>(2) Due to the nature of the act, the presence of the pupil causes a continuing danger to the physical safety of the pupil or others.</p>

**SAN DIEGO COUNTY AND DISTRICT GAPS AND STRATEGIES IN
EDUCATIONAL SERVICES TO EXPELLED STUDENTS**

**SAN DIEGO COUNTY AND DISTRICT GAPS AND STRATEGIES IN
EDUCATIONAL SERVICES TO EXPELLED STUDENTS**

Four gaps were initially identified in the 2003 and continued in subsequent versions of the plan. Of those, three gaps no longer exist. Three additional service gaps were also identified and addressed for the first time in the 2015 – 2018 version of the plan.

The following Gaps were identified in 2003 and carried forward in all subsequent versions of this plan. These Gaps are now considered to have been resolved.

- i. **GAP:** A full continuum of services is not available at each of the sites operated by the County Office of Education. Some of the Juvenile Court & Community School (JCCS) regions have more services to offer than others.

RESOLUTION: In 2009, JCCS maintained 66 sites. In 2012, the number of sites was 62. During 2014 - 2015, SDCOE reduced the number of community school sites to 24. As a result of the consolidation, all sites now offer a full continuum of services.

- ii. **GAP:** Placements may not always be available for expelled students in the nearest community school.

RESOLUTION: As a result of the consolidation of sites described above, all JCCS sites have the capacity a continuum of services needed to support the needs of their students in the site located closest to the student.

- iii. **GAP:** Students who have failed their placement in district community schools or do not have a community School must be referred to other district programs or to a County operated community school. If the student fails the program or commits another expulsion type offense, there may not be any viable alternative remaining.

RESOLUTION: SDCOE's Juvenile Court and Community Schools (JCCS) accepts referrals on students who have committed expulsion type offences while enrolled in district community schools. JCCS also retains students in their system, even when they've committed expulsion type offences, by altering their placement and services to respond to the issue at hand. Operating on a blended model of instruction, JCCS is able to provide a range of formats to meet the individual needs of each student ranging from daily attendance to distance learning. JCCS has also made major investments in and relies heavily on the effective use instructional technology as a component of their blended learning model. This approach allows JCCS to tailor their programs to the individual needs of their students.

The following Gaps in service were identified in the 2015 – 2018 plan; of those, one, Gap 2, was resolved, and though progress was made, four gaps remain within the County of San Diego and will remain the focus of our work for the 2018 – 2021 plan.

Gap #1

Students in grades one through six who are expelled do not have the same educational options available as do expelled youth who are in grades seven through twelve, due to the limited numbers of students who are expelled in these lower grades. These younger students cannot attend programs designed for middle and high school students.

A. Strategies that have been used to address this gap:

1. Expulsion and placement in district-operated community day school where available.
2. The K-6 school districts will continue to offer available options, which may include the following:
 - Suspended expulsion with placement at the same school with the **Other Means of Correction** contract.
 - Suspended expulsion with placement at a different school within the same district with the **Other Means of Correction** contract.
 - Suspended expulsion with placement in a district operated opportunity school with the **Other Means of Correction** contract. (see page 92 for a sample Other Means of Correction contract)
3. SDCOE offers placement at Monarch school as well as independent study based programs serving elementary students when appropriate.

B. Discussion:

- a) Were the strategies successful? If not, what were the obstacles?

2009 - 12

Yes, however we will need to continue our efforts in expanding the numbers and kind of intervention strategies used with elementary students.

2012 - 15

Yes, however will need to continue their efforts in *maintaining* the numbers and kind of intervention strategies used with elementary students.

2015 - 18

CALPADS does not maintain expulsion data by grade level so there is no way to determine how many elementary students were expelled in the County last year. In 2013 - 14, elementary districts expelled just over 40 students. Almost all of those were from two districts that operate community day schools. Elementary districts that have very low expulsion rates (most have less than one case per year) still perceive this area to be a gap in service; however it isn't one they encounter often. We estimate this gap is experienced by about five students a year, Countywide.

2016 - 17

Cal Pads data now reflects expulsion data by grade level and Expulsion data and indicates the following expulsion rates:

Grade K-3: 0
Grade 4-6: 15
Grade 7-8: 78

- b) What additional strategies were implemented? Were they successful?
- Districts increased the number and kind of intervention strategies to prevent elementary students from being expelled.
 - SDCOE's Monarch School has been used as a placement option for students who are too young for Community School.
 - Independent Study has also been used by districts and JCCS as a placement option.

C. Strategies for 2015 – 18:

1. Expulsion and placement in district-operated community day school where available.
2. The K-6 school districts will continue to offer available options, which may include the following:
 - Suspended expulsion with placement at the same school with the **Other Means of Correction** contract.
 - Suspended expulsion with placement at a different school within the same district with the **Other Means of Correction** contract.
3. SDCOE will continue to offer placement at a centrally located community school serving elementary students.
4. Independent Study will also continue to be used as a placement option available through districts. When appropriate, JCCS will also offer elementary students independent study through their blended model.

D. Information as of January 2018

- Districts continue to offer available placement options to students described above including the continued use of Other Means of Correction Contracts.
- SDCOE will continue to offer placement at Monarch school serving elementary students.
- Independent Study will also continue to be used as a placement option available through districts. When appropriate, JCCS will also offer elementary students independent study.

E. Updated Information as of February 2021

- Recent data has demonstrated the reduction in expelled K-6 students across the county.
- JCCS is willing and available to engage individual districts in developing programs for students for whom **Other Means of Correction** strategies require another setting.

GAP #2

There is currently no single depository for student records available between districts and JCCS.

Discussion:

- a) The 2009 - 12 version of the plan proposed the development of a County-wide data warehouse with automation of student records concerning discipline and expulsion. The intention was to automate the acquisition of student records and data to facilitate placement in interim settings, and to facilitate reinstatement back into the referring school districts. This strategy was ultimately deemed to be too costly to pursue. No additional strategies were proposed for 2012 - 15.

Timely transfer of student records continues to be a challenge for students entering SDCOE Community School sites. Given this, the Gap is revised as follows for 2015 - 18:

GAP #2 (Revised as of 2015)

Students entering the County Community School frequently lack complete records, impeding the ability of JCCS staff to develop properly supported personalized learning plans.

A. Strategies for 2015 – 18:

1. JCCS has developed a checklist of records that must accompany a Community School referral. All records provided to JCCS will be copies. Original student records will be maintained by the school districts. This checklist is included on page 137.

B. Updated Information 2017-18:

- In order to better serve the needs of our students, families, and partner districts, JCCS has implemented enrollment centers in our regional areas with intended goals of: increased communication on student enrollment, progress on goals, transition planning, improved coordination of services to support students and families.
- Due to significant progress in acquiring, maintaining and sharing records, the committee determined that this goal has been successfully resolved.

C. Additional Information as of February 2021

- Through the Inter Agency Agreement, developed in collaboration with SDCOE FYS, district officials are able to obtain access to the JCCS student information system for students residing in their district to support improved collaboration on transition details including enrollment information, student progress, and student return to their home district.
- Identified district officials receive reports from JCCS on students enrolling in and exiting from JCCS programs.

GAP #3

Expelled students who live in rural areas of the County, and who would not be appropriately served through independent study contracts, do not always have access to traditional, seat time based, and classroom programs.

A. Discussion:

- a) This Gap impacts a small number of students who live in very rural settings. There have been a few cases involving expelled students who live in areas that do not have internet access, and in some cases live without power or phone service.

B. Strategies for 2015 – 18:

1. School districts will use independent study with more onsite meetings when appropriate.
2. JCCS will use schools operated at facilities operating by County probation when they are proximal to students in these circumstances.
3. Districts and JCCS will develop and implement the capacity to offer synchronous virtual instruction as a means of reaching student who live in remote areas but have access to internet.

C. Information as of 2017-18:

- Probation run facilities are not appropriate for community school services.
- Districts and JCCS will explore creating the capacity to offer synchronous virtual instruction as a means of reaching students who live in remote areas and have access to internet.

D. Updated Information as of February 2021

- JCCS is willing and available to engage individual districts in developing programs for students living in rural areas.
- JCCS itinerant independent study teachers are available to meet with students in their communities.

GAP #4

Expelled students do not always have assistance in transitioning back to district schools. Personal, social and academic adjustment should be considered and supported to ensure successful re-entry.

A. Discussion:

- a) Students returning from expulsion are in transition. When returning to district schools, expelled students require support to resist the tendency to return to old patterns and relationships. They also need help establishing new relationships and behaviors. Positive reinforcement should be present to validate positive choices and behavior.
- b) All too often students who have been expelled encounter school staff that are not receptive to have them returned to their campuses.
- c) Efforts made to connect students to caring adults on campus is the most powerful step a district can take to ensure successful re-entry and graduation from high school.

B. Strategies for 2015 – 18:

1. SDCOE Student Support Services will convene a workgroup of Pupil Service Administrators to study the experiences and needs of students returning from, and who have returned from expulsion. The committee will identify specific needs, propose strategies and promote the adoption of these strategies.
2. Administrators and counselors in alternative education settings serving expelled students will host re-entry plan meetings with the school counselors of students ready for return to district schools. Each meeting will involve the counselors, student and the student's parents in developing a plan to support the student's personal, social and academic needs as they re-enter the district.
3. Restorative Practices will be used, when appropriate, to help restore the relationships damaged by the act that lead to the expulsion, and to assist students in reintegration into the school communities from which they were expelled.
4. School districts and JCCS will train their employees:
 - a. To understand the impact of trauma
 - b. To recognize that negative behavior may be an expression of coping strategies learned in response to past or continuing trauma exposure
 - c. On strategies employees can use to avoid triggering negative coping strategies
 - d. On de-escalation strategies.
5. SDCOE Student Support Services will provide training for school personnel on restorative and trauma informed practices.

C. Updated information as of January 2018:

- There has been significant progress in JCCS staff training in all of the areas listed above and in the use of Restorative Practices and Other Means of Correction in lieu of suspension.
- SDCOE will work with Pupil Services Administrators to establish a re-entry workgroup to create policies, procedures and best practices for site administrators to help facilitate students' transition back to their school sites following expulsion.
- Administrators and counselors in alternative education settings serving expelled students will host re-entry plan meetings with the school counselors of students ready for return to district schools. Each meeting will involve the counselors, student and the student's parents in developing a plan to support the student's personal, social and academic needs as they re-enter the district.
- Detention facilities are reaching out to district liaisons to see if returning to school is best option.

D. Updated Information as of February 2021:

- The work in the updated section is continuing.
- Restorative Practices training and additional supports via parenting courses are offered to families.
- JCCS Student Transition Technicians to support students and families enrolling in JCCS schools as well as to facilitate successful re-entry.
- JCCS Student and Family Engagement (SAFE) Team (consisting of School Counselors, Student Transition Technicians, Parent and Family Liaisons, Work Readiness Assistants, The Movement tutoring, School Social worker, and interns) in order to more effectively coordinate student services and family supports.
- Regional Multi-Tiered Systems of Supports (MTSS) teams developed to locally review student progress and refer to appropriate supports.

GAP #5

Districts do not always know when a student has enrolled in JCCS, another school system or when they have simply not enrolled anywhere.

A. Discussion:

- a) JCCS doesn't always contact districts when students who have been referred don't enroll.
- b) Districts don't always follow-up with JCCS when they don't receive confirmation a referred student hasn't enrolled.
- c) Records requests typically show when an expelled student has enrolled in a charter school.
- d) Expelled students are still subject to compulsory education and under the jurisdiction of the district of residences SARB.
- e) While students may be expelled from the district of residence they typically return to the district after they complete their rehabilitation plans.

B. Strategies for 2015 – 18:

1. JCCS will confirm with the district of residence, the enrollment of all students entering their system on the day they enroll.
2. In cases in which JCCS has not initiated contact with the school district to confirm enrollment, school districts will investigate whether or not expelled students are enrolled with JCCS or another school system, within five days of making the referral.
3. In cases in which a district finds that an expelled student is not enrolled, or is unable to determine the student's enrollment status, the case will be referred to the supervisor of attendance for the district, and when appropriate, to the district SARB.
4. Expand the use of enrollment centers to standardize the admissions process for JCCS.

ITEM 10c

5. JCCS will make “view only” access to their student information system (Promise) available for referring districts who request it.

C. Updated Information as of January 2018:

- There has been a significant increase in communication between JCCS and Districts since the last plan was enacted.
- Enrollment procedures have been established for regions within the county and additional JCCS administrators have been added to manage school sites within each region.
- Because of conversation regarding mental health, we need to work with the students and their families to successfully facilitate their re-entry into districts.
- JCCS has expanded their offerings to expelled students which now includes counseling services and assistance with successful completion of their rehabilitation plan.
- Additionally, JCCS now has Social work Interns in each JCCS school, who are available to work with students as they complete their rehabilitation plans and reintegrate back into their home schools.

D. Updated Information as of February 2021:

- Students and families are offered counseling with the Mobile Adolescent Services Team (MAST) upon enrollment.
- JCCS Multi-Tiered System of Supports (MTSS) documentation system within the JCCS student information system with access for identified district staff.

ALTERNATIVE PLACEMENT

(For those expelled students who have been placed in a district community day school but who fail to meet the term or conditions of their rehabilitation plan or who pose a continuing danger to the physical safety of district pupils or others)

Step I

The School District of residence continues to maintain responsibility for developing a rehabilitation plan for the student, referring the student to an appropriate educational setting, and ensuring that an educational program is provided either within or outside the school district.

Step II

Expelled students who fail to meet the terms and conditions of the district rehabilitation plan may be referred to a different district school, another district program, a district-operated Community Day School Program, or the San Diego County Office of Education Community School.

For expelled students who are referred to a San Diego County Office of Education Community School (which is a permissive program) a Personalized Learning Plan will be developed with the students' parents and County Office of Education staff. Part of this plan will include a goal of returning to the school district of residence after the district expulsion term. If students are not successful in the County-operated program, they may be referred back to the district for possible review and re-placement.

**REGIONAL ARTICULATION BETWEEN DISTRICTS
AND THE COUNTY OFFICE OF EDUCATION**

The consistent regional articulation between districts and the San Diego County Office of Education has been occurring over the past 17 years. The County Office of Education provides quarterly meetings for the Pupil Services administrators representing the County's 42 school districts and SDCOE's Juvenile Court and Community Schools (JCCS). The meeting is chaired by the Executive Director of Student Support Services and Director of Student Attendance, Safety & Well-Being for the County Office of Education. These meetings provide opportunities for articulation and coordination between SDCOE and school districts on a regular basis. In addition, school districts work with regionally identified JCCS staff for placements for expelled students.

San Diego County Office of Education Overview

The San Diego County Office of Education will continue to provide an educational option for expelled students. The Juvenile Court and Community Schools facilitate the students' completion of the rehabilitation plan, while responsibility for the long-term educational needs of the student remains with the referring district. This program is one that fits in the continuum of educational care as outlined. The philosophy of each individual school district affects how the San Diego County Office of Education Community School program will meet the needs of that particular school district.

The Community School is a permissive educational program that provides the local school districts with another educational option for their expelled youth.

The following pages outline the process for referral and referral forms that enable districts to access San Diego County Office of Education School programs.

For placement information, please contact the Juvenile Court and Community School office nearest to your school district.

JCCS ADMINISTRATION OFFICE

Tracy E. Thompson, Executive Director tthompson@sdcoe.net (858) 290-5807
Bruce Petersen, Senior Director bruce.peterson@sdcoe.net (858) 298-2069

JCCS ASSESSMENT & PUPIL SERVICES OFFICE

Student assessment data, transcripts and archived records
Phone: (858) 290-5852
FAX: (858) 277-1532
JCCS Lead Registrar: Robin Mosby rmosby@sdcoe.net (858) 290-5866
Request for student records: www.sdcoe.net/jccsrecords

EAST REGION ENROLLMENT OFFICE

Serves the East regions of San Diego County for admissions.
Principal: Roberto Carrillo roberto.carrillo@sdcoe.net (858) 290-5469
Program Administrator: Dyane Plumly dplumly@sdcoe.net (858) 290-5861
924 East Main St.
El Cajon, CA 92021
Phone: (619) 668-4660
FAX: (619) 593-0306
Placement Contact:
Rosa Leon
rmleon@sdcoe.net (858) 290-5897

MONARCH SCHOOL

Serves homeless families in Downtown San Diego for admissions on site.
Principal: Michael Paredes
michael.paredes@sdcoe.net 858/290-5511
1325 Newton Avenue
San Diego, CA 92113
Phone: (619) 652-4100 ext. 1590
FAX: (619) 233-3458
Placement Contact:
James Flores
james.flores@sdcoe.net 858/290-5870

METRO REGION ENROLLMENT OFFICE

Serves Downtown San Diego and San Diego Unified for admissions.

Principal: Theresa Fox

turnfox@sdcoe.net (858) 290-5529

Principal: Gretchen Rhoads

gretchen.rhoads@sdcoe.net (858) 290-5496

3720 El Cajon Blvd.

San Diego, CA 92105

Phone: (619) 528-2789

FAX: (619) 696-0377

Placement Contact:

Michele Roman

mroman@sdcoe.net (858) 290-5893

Susana Moreno

scervant@sdcoe.net (858) 290-5888

Estella Estrada

eerayrob@sdcoe.net (858) 290-5935

NORTH REGION ENROLLMENT OFFICE

Serves the North County School Districts for admissions.

Principal: Oscar Felix oscar.felix@sdcoe.net 760-299-7863

255 Pico Ave., Ste. 112

San Marcos, CA 92069

Phone: (760) 940-9002

FAX: (760) 940-9091

Placement Contact:

Oscar Torrico

oscar.torrico@sdcoe.net 760-307-1305

SOUTH REGION ENROLLMENT OFFICE

Serves the South County School Districts for admissions.

Principal: Roberto Carrillo roberto.carrillo@sdcoe.net (858) 290-5469

Program Administrator: Dyane Plumly dplumly@sdcoe.net (858) 290-5861

800 National City Boulevard, Ste. 110 National City, CA 92150

Phone: (619) 470-5210

FAX: (619) 470-5278

Placement Contact:

Diana Bayon

dbayon@sdcoe.net (858) 290-5904

<p style="text-align: center;">San Diego County Office of Education Educational Alternatives for Expelled Youth</p>

The San Diego County Office of Education Juvenile Court and Community Schools offer the following services for expelled youth:

1. Daily educational programs that meet for 300-360 minutes per day in community classrooms
2. Direct instruction and/or contracted blended learning programs (e.g. face-to-face, independent study and/or online courses). Students are required to complete a minimum of 80 hours of educational product per five-credit course completion
3. Trauma informed, restorative practices and mental health support
4. Early Childhood Development/Head Start with Teen Parent Specialized Academic Instruction
5. Community Schools *(See page 18 for listing of community schools)
6. Special Education Services
7. Each site provides support to students in meeting the conditions of their rehabilitation plan, as well as wrap-around support to their families
8. Multiple career pathways, internship and concurrent college enrollment opportunities
9. Breakfast and lunch
10. An opportunity to earn a compass card for transportation

**San Diego County Office of Education
Juvenile Community School Sites**

EASTERN SAN DIEGO COUNTY

Cuyamaca Prep
East County Community School
La Mesa Community School

NORTHERN SAN DIEGO COUNTY

Escondido Community School
Innovations Academy of Empowerment
North County Technology Academy
North Tech & Science Academy

METRO

37ECB
Bayside Community
Bridges Community
CTEC Community
Lindsay Community
Project Aware
Second Chance
Monarch (K-12)

SOUTHERN SAN DIEGO COUNTY

South County Community School
Victoria Community School

As of March 2021

SAN DIEGO COUNTY OFFICE OF EDUCATION
SPECIAL EDUCATION Specialized Academic Instruction/ SERVICES FOR EXPELLED STUDENTS
(Part II-B Continued)

District	Resource Spec. Program		Audiological Services		Orientation & Mobility Inst.		Home / Hospital Instruction		Adapted P.E.		Recreational Services		Services for Low Incidence		Other Special Ed. Services	
	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12
EASTERN SAN DIEGO COUNTY																
Cuyamaca Prep		X		X		X				X		X		X		X
East County	X	X	X	X	X	X			X	X	X	X	X	X	X	X
La Mesa	X	X	X	X	X	X			X	X	X	X	X	X	X	X

SAN DIEGO COUNTY OFFICE OF EDUCATION
SPECIAL EDUCATION Specialized Academic Instruction/ SERVICES FOR EXPELLED STUDENTS
(Part II-B Continued)

District	Resource Spec. Program		Audiological Services		Orientation & Mobility Inst.		Home / Hospital Instruction		Adapted P.E.		Recreational Services		Services for Low Incidence		Other Special Ed. Services	
	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12
Monarch School	X	X	X	X	X	X			X	X	X	X	X	X	X	X

SAN DIEGO COUNTY OFFICE OF EDUCATION
SPECIAL EDUCATION Specialized Academic Instruction/ SERVICES FOR EXPELLED STUDENTS
(Part II-B Continued)

District	Resource Spec. Program		Audiological Services		Orientation & Mobility Inst.		Home / Hospital Instruction		Adapted P.E.		Recreational Services		Services for Low Incidence		Other Special Ed. Services	
	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12
METRO																
37ECB	X	X	X	X	X	X			X	X	X	X	X	X	X	X
Bayside	X	X	X	X	X	X			X	X	X	X	X	X	X	X
CTEC		X		X		X				X		X		X		X
Lindsay	X	X	X	X	X	X			X	X	X	X	X	X	X	X
Second Chance	X	X	X	X	X	X			X	X	X	X	X	X	X	X

SAN DIEGO COUNTY OFFICE OF EDUCATION
SPECIAL EDUCATION Specialized Academic Instruction/ SERVICES FOR EXPELLED STUDENTS
(Part II-B Continued)

District	Resource Spec. Program		Audiological Services		Orientation & Mobility Inst.		Home / Hospital Instruction		Adapted P.E.		Recreational Services		Services for Low Incidence		Other Special Ed. Services	
	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12
NORTHERN SAN DIEGO COUNTY																
Escondido	X	X	X	X	X	X			X	X	X	X	X	X	X	X
Innovations	X	X	X	X	X	X			X	X	X	X	X	X	X	X
North County Technology Academy	X	X	X	X	X	X	X		X	X	X	X	X	X	X	X
North Region I.S.		X		X		X				X		X		X		X

SAN DIEGO COUNTY OFFICE OF EDUCATION
SPECIAL EDUCATION Specialized Academic Instruction/ SERVICES FOR EXPELLED STUDENTS
(Part II-B Continued)

District	Resource Spec. Program		Audiological Services		Orientation & Mobility Inst.		Home / Hospital Instruction		Adapted P.E.		Recreational Services		Services for Low Incidence		Other Special Ed. Services	
	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12
SOUTHERN SAN DIEGO COUNTY																
South Bay Tech Academy		X		X		X				X		X		X		X
Victoria		X		X		X				X		X		X		X

**SAN DIEGO COUNTY OFFICE OF EDUCATION
Special Education Specialized Academic Instruction/Services for Expelled Students (Part II-A)**

District	Physical Occup. Therapy		Vision Services		Counseling Guidance		Parent Counseling / Guidance		Health & Nursing		Social Worker		Vocational Ed. Career Dev.		Assessments		Special Day Classes	
	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12
EAST COUNTY																		
Cuyamaca Prep		X		X		X		X		X				X		X		
East County	X	X	X	X	X	X	X	X	X	X			X	X	X	X		
La Mesa	X	X	X	X	X	X	X	X	X	X			X	X	X	X		

**SAN DIEGO COUNTY OFFICE OF EDUCATION
Special Education Specialized Academic Instruction/Services for Expelled Students (Part II-A Continued)**

District	Physical Occup. Therapy		Vision Services		Counseling Guidance		Parent Counseling / Guidance		Health & Nursing		Social Worker		Vocational Ed. Career Dev.		Assessments	
	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12
METRO																
37ECB	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Bayside	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Bridges		X		X		X		X		X				X		X
CTEC		X		X		X		X		X				X		X
Lindsay	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Project Aware		X		X		X		X		X				X		X
Second Chance	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
NORTHERN SAN DIEGO COUNTY																
Escondido		X	X	X	X	X	X	X	X	X			X	X	X	X
Innovations	X	X	X	X	X	X	X	X	X	X			X	X	X	X
North County Tech Academy	X	X	X	X	X	X	X	X	X	X			X	X	X	X
North I.S.		X		X		X		X		X						

SAN DIEGO COUNTY OFFICE OF EDUCATION
Special Education Specialized Academic Instruction/Services for Expelled Students (Part II-A Continued)

District	Physical Occup. Therapy		Vision Services		Counseling Guidance		Parent Counseling / Guidance		Health & Nursing		Social Worker		Vocational Ed. Career Dev.		Assessments	
	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12
SOUTHERN SAN DIEGO COUNTY																
South Bay Tech Academy	X	X	X	X	X	X	X	X	X	X			X	X	X	X
South I.S.		X	X	X	X	X	X	X		X				X		X
Victoria	X	X	X	X	X	X	X	X	X	X			X	X		X

**SAN DIEGO COUNTY OFFICE OF EDUCATION
Special Education Specialized Academic Instruction/Services for Expelled Students (Part II-B)**

District	Resource Spec. Program		Audiological Services		Orientation & Mobility Inst.		Home / Hospital Instruction		Adpated P. E.		Recreational Services		Services for Low Incidence		Other Special Ed. Services	
	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12
EAST COUNTY																
East County	X	X	X	X	X	X			X	X	X	X	X	X	X	X
La Mesa	X	X	X	X	X	X			X	X	X	X	X	X	X	X
Monarch School	X	X	X	X	X	X			X	X	X	X	X	X	X	X

SAN DIEGO COUNTY OFFICE OF EDUCATION

Special Education Specialized Academic Instruction/Services for Expelled Students (Part II-B Continued)

District	Resource Spec. Program		Audiological Services		Orientation & Mobility Inst.		Home / Hospital Instruction		Adpated P. E.		Recreational Services		Services for Low Incidence		Other Special Ed. Services	
	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12
METRO																
37ECB	X	X	X	X	X	X			X	X	X	X	X	X	X	X
Bayside	X	X	X	X	X	X			X	X	X	X	X	X	X	X
Bridges		X		X		X				X		X		X		X
CTEC		X		X		X				X		X		X		X
Lindsay	X	X	X	X	X	X			X	X	X	X	X	X	X	X
Project Aware		X		X		X				X		X		X		X
Second Chance	X	X	X	X	X	X			X	X	X	X	X	X	X	X
NORTHERN SAN DIEGO COUNTY																
Escondido	X	X	X	X	X	X			X	X	X	X	X	X	X	X
North County Tech Academy	X	X	X	X	X	X			X	X	X	X	X	X	X	X
Innovations	X	X	X	X	X	X			X	X	X	X	X	X	X	X

SAN DIEGO COUNTY OFFICE OF EDUCATION
Special Education Specialized Academic Instruction/Services for Expelled Students (Part II-B
Continued)

District	Resource Spec. Program		Audiological Services		Orientation & Mobility Inst.		Home / Hospital Instruction		Adpated P. E.		Recreational Services		Services for Low Incidence		Other Special Ed. Services	
	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12	K-8	9-12
SOUTHERN SAN DIEGO COUNTY																
South Bay Tech Academy	X	X	X	X	X	X			X	X	X	X	X	X	X	X
South I.S.		X		X		X				X		X		X		X
Victoria	X	X	X	X	X	X			X	X	X	X	X	X	X	X

PLAN FOR SERVING EXPELLED PUPILS

SAN DIEGO COUNTY OFFICE OF EDUCATION

AND SAN DIEGO COUNTY DISTRICTS

2021- 2024

District Name: San Dieguito Union High School District

Superintendent: Robert A. Haley, Ed.D.

District Superintendent's Signature

Date

District Overview

Grades 7 - 12

The San Dieguito Union High School District, located within San Diego County, offers the following options for expelled youth:

- 1 Suspended expulsion with placement on a different school campus within the district with another means of correction or in lieu of expulsion contract;
- 2 Expulsion with referral to the San Diego County Office of Education Court and Community School Program with a Rehabilitation Plan for the term of expulsion;
- 3 Expulsion of Special Education students, with referral to San Diego County office of Education Court and Community School Program with a Rehabilitation Plan;

Actual referral to such a placement is made by the District Governing Board, with recommendations from the Administrative Hearing Panel. Rehabilitation plans are written for each individual student according to Education Code 48916. See the matrices for specific district and County Office of Education programs and services available for expelled students.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT (Continued)

District Existing Educational Alternatives for Expelled Youth

District Responsibilities

San Dieguito Union High School District maintains responsibility for the following actions for students on a suspended expulsion or expulsion status:

1. Developing a Rehabilitation Plan with conditions
2. Referring the student to an appropriate educational setting
3. Ensuring that an educational program is provided either within or outside the District

Suspended Expulsion

Suspended expulsion with placement on a different school campus within the district with another means of correction or in lieu of expulsion contract.

Rehabilitation Plans

San Dieguito Union High School District is responsible for developing the Rehabilitation Plan for expelled students. The purpose of the plan is to put in place interventions to assist the student in making significant changes in behavior and/or attitude to support his/her successful return to the regular school program. The Governing Board will recommend the Rehabilitation Plan for the student at the time of the expulsion order. The plan may include recommendations for improved academic performance, academic progress, tutoring, positive attendance, counseling, reflective essay, community service, referrals to community agencies and an assessment of the successful completion of conditions at the time of the review for readmission.

Expulsion Placements

Students on an expulsion status may be referred to a San Diego County Office of Education Court and Community School Program. If students fail to complete the county-operated program, they are referred back to SDUHSD district for placement review.

Readmission After Expulsion

When a student's period of expulsion is completed, the District conducts a review of the Rehabilitation Plan to determine if all conditions have been met. A determination is also made as to whether the student continues to pose a danger to campus safety or other pupils or employees of the District. If the student has successfully met all conditions of the Rehabilitation Plan, this information is presented to the Governing Board for approval.

Failure To Meet Rehabilitation Plan Conditions

If the student fails to meet the Rehabilitation Plan conditions, readmittance to the regular District program may be denied. District staff will recommend continuing placement and present to the Governing Board for approval. This placement may be a San Diego County Office of Education Court and Community School Program. Written notification is provided to the parent stating the reasons for denial of readmittance.

A matrix of specific District and San Diego County Office of Education programs and services available for expelled students is included in this plan.

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: April 12, 2021

BOARD MEETING DATE: April 22, 2021

PREPARED BY: John Addleman, Exec. Director of Planning Services
Tina Douglas, Associate Superintendent,
Business Services

SUBMITTED BY: Robert A. Hayley, Ed.D, Superintendent

SUBJECT: **ADOPTION OF RESOLUTION OF THE BOARD OF TRUSTEES OF THE SAN DIEGUITO UNION HIGH SCHOOL DISTRICT AUTHORIZING THE ISSUANCE OF AND SALE OF NOT TO EXCEED \$84,960,000 AGGREGATE PRINCIPAL AMOUNT OF BONDS OF THE SAN DIEGUITO UNION HIGH SCHOOL DISTRICT, BY A NEGOTIATED SALE PURSUANT TO A BOND PURCHASE AGREEMENT, PRESCRIBING THE TERMS OF SALE, APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT, A PAYING AGENT AGREEMENT, AN INVESTMENT MANAGEMENT AGREEMENT, AND A CONTINUING DISCLOSURE CERTIFICATE, AND APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT FOR THE SERIES 2021 BONDS, AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS**

EXECUTIVE SUMMARY

On November 6, 2012, the voters of the San Dieguito Union High School District voted to approve Proposition AA to authorize the District to issue up to \$449 million of general obligation bonds to finance certain specified capital projects and facilities. On December 13, 2012, the Board adopted the Resolution Declaring Results of the School Bond Election declaring, in effect, that Proposition AA had gathered more than the required 55% affirmative vote under Proposition 39 to authorize the bonds.

Since that time, the District has issued four series of Prop AA bonds in the amount of \$364.04 million and has completed forty-nine school facility projects across the District. It is with great excitement that the bond market has moved in a direction that will allow the District, along with a partial refunding of the 2015 Series B bonds, to issue the fifth and final authorization of \$84.96 million. It was just two months ago that would have had this remaining authorization issued over three separate bond issuances between 2021 and 2035. With the opportunity provided by this market move, we'll be able to complete the Prop AA program a full decade sooner and within the next five to six years saving future bond issuance costs and avoiding nearly another decade of construction escalation costs.

Approximately \$80 million of Proposition AA bonds will be issued to provide for new construction and modernization of school facility projects approved pursuant to the Proposition AA Authorization, including, but not limited, to modernization of classroom buildings at Diegueno Middle School and San Dieguito High School Academy, along with the construction of a new art classroom building complex at Torrey Pines High School, the replacement of aged portable classrooms with permanent classrooms at La Costa Canyon High School, and improvements to athletic facilities at Torrey Pines High School, San Dieguito High School Academy and La Costa Canyon High School. Roughly \$4.3 million of Proposition AA bonds will be issued to pre-fund the School District's final Qualified School Construction Bond payments through May 2027.

Staff has been working closely with Fieldman, Rolapp & Associates (Financial Advisor), Orrick, Herrington & Sutcliffe LLP (Bond Counsel), Stradling Yocca Carlson & Rauth (Disclosure Counsel), Piper Sandler & Co. (Underwriter), and Laura Romano (District Counsel) collectively the Finance Team, to develop a financing plan that maintains the long-term financing goals that:

- pledge to limit the tax rate to no more than \$25/\$100,000 of assessed value (AV),
- continue the practice of limiting the repayment term to no more than 25 years,
- continue the practice to develop a financing plan that eliminates or reduces the use of Capital Appreciation Bonds (CABs), and
- continue the conservative view of projected yearly AV growth of 4%.

Standard Bond Information

In compliance with Section 15146(b)(4) of the Education Code, Good Faith Estimates are included as Exhibit B to the attached resolution and summarized here:

- The maximum allowable interest rate allowed by California Education Code is 8%. Pursuant to the attached resolution, the true interest cost (TIC) on the Series E bonds shall not exceed 5%. TIC is the total annual cost of obtaining debt financing, expressed as a percentage of the total debt amount. It is often referred to as the real cost of taking out a loan as it includes all ancillary fees and costs, along with factors related to the time value of money. As of April 7, 2021 the estimated true interest cost of Series E is 2.649%.
- The finance charge of the bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the bonds), is \$584,840. The finance charge is comprised of the Underwriter's Discount of \$339,840 and the Cost of Issuance of \$245,000. The Cost of Issuance is further detailed in Exhibit C to the attached resolution.
- The amount of proceeds expected to be received by the District for sale of the bonds less the finance charge of the bonds and any reserves or capitalized interest paid or funded with proceeds of the bonds, is \$84,923,529.44.
- 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 of the bonds not paid with the proceeds of the bonds, calculated to the final maturity of the bonds, is \$129,646,785.41.

- The repayment schedule for Series E-1 and E-2 is detailed here (Net Debt Service).

NET DEBT SERVICE

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
General Obligation Bonds, 2012 Election, Series E-1 (Taxable)

Period Ending	Principal	Interest	Total Debt Service	Net Debt Service
08/01/2022	2,170,000	13,646.58	2,183,646.58	2,183,646.58
08/01/2023	2,175,000	6,546.76	2,181,546.76	2,181,546.76
	4,345,000	20,193.34	4,365,193.34	4,365,193.34

NET DEBT SERVICE

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
General Obligation Bonds, 2012 Election, Series E-2 (Tax-Exempt)

Period Ending	Principal	Interest	Total Debt Service	Debt Service Fund	Net Debt Service
08/01/2022	800,000	2,871,760.42	3,671,760.42	2,871,760.42	800,000.00
08/01/2023	280,000	2,408,550.00	2,688,550.00	1,219,807.93	1,468,742.07
08/01/2024	200,000	2,400,150.00	2,600,150.00		2,600,150.00
08/01/2025		2,392,150.00	2,392,150.00		2,392,150.00
08/01/2026		2,392,150.00	2,392,150.00		2,392,150.00
08/01/2027		2,392,150.00	2,392,150.00		2,392,150.00
08/01/2028	140,000	2,392,150.00	2,532,150.00		2,532,150.00
08/01/2029	330,000	2,386,550.00	2,716,550.00		2,716,550.00
08/01/2030	40,000	2,373,350.00	2,413,350.00		2,413,350.00
08/01/2031	35,000	2,371,750.00	2,406,750.00		2,406,750.00
08/01/2032	75,000	2,370,350.00	2,445,350.00		2,445,350.00
08/01/2033	95,000	2,367,350.00	2,462,350.00		2,462,350.00
08/01/2034	215,000	2,363,550.00	2,578,550.00		2,578,550.00
08/01/2035	280,000	2,354,950.00	2,634,950.00		2,634,950.00
08/01/2036	1,535,000	2,343,750.00	3,878,750.00		3,878,750.00
08/01/2037	1,720,000	2,297,700.00	4,017,700.00		4,017,700.00
08/01/2038	12,500,000	2,246,100.00	14,746,100.00		14,746,100.00
08/01/2039	2,330,000	1,871,100.00	4,201,100.00		4,201,100.00
08/01/2040	3,010,000	1,801,200.00	4,811,200.00		4,811,200.00
08/01/2041	4,330,000	1,710,900.00	6,040,900.00		6,040,900.00
08/01/2042	17,050,000	1,581,000.00	18,631,000.00		18,631,000.00
08/01/2043	35,650,000	1,069,500.00	36,719,500.00		36,719,500.00
	80,615,000	48,758,160.42	129,373,160.42	4,091,568.35	125,281,592.07

Attached is the District resolution and pursuant to the resolution the following documents, in form, for approval:

- Bond Purchase Agreement:** An agreement between the District and Piper Sandler & Co. ("Underwriter"), for the purchase of bonds from the District by the Underwriter for reoffering to the public.
- Paying Agent Agreement:** An agreement between the District and County of San Diego through the Office of the Treasurer-Tax Collector to levy and collect the tax necessary to pay debt service on the bonds.

ITEM 10d

- Investment Management Agreement: An agreement between the District and County of San Diego through the Office of the Treasurer-Tax Collector to allow for the deposit of the bond proceeds with the County Treasurer to be managed and invested as part of the San Diego County Treasurer's Pooled Investment Fund.
- Preliminary Official Statement (POS): The preliminary prospectus on the 2021 GO Refunding Bond issue and 2021 GO Bond Series E, circulated to gauge the level of interest among prospective investors prior to the availability of the final official statement.
- Continuing Disclosure Certificate (Appendix D to POS): Any government entity issuing bonds has an obligation to meet specific continuing disclosure standards in compliance with Securities and Exchange Commission (SEC) Rule 15c2-12. When the bonds are issued, the District for the benefit of the underwriter(s) to meet the SEC requirements, promises to provide certain annual financial information and material event notices to the public.

Upon issuance of the Series 2021 E-1 and E-2 Bonds, the District's remaining bonding capacity will be approximately \$482 million.

RECOMMENDATION:

It is recommended that the Board adopt the Resolution of the Board of Trustees of the San Dieguito Union High School District Authorizing the Issuance and Sale of Not to Exceed \$84,960,000 Aggregate Principal Amount of Bonds of the San Dieguito Union High School District, by a Negotiated Sale Pursuant to a Bond Purchase Agreement, Prescribing the Terms of Sale, Approving the Form of and Authorizing the Execution and Delivery of a Bond Purchase Agreement, a Paying Agent Agreement, an Investment Management Agreement, and a Continuing Disclosure Certificate, and Approving the Form of and Authorizing the Distribution of an Official Statement for the Series 2021 Bonds, and Authorizing the Execution of Necessary Documents and Certificates and Related Actions, as shown in the attached supplements.

RESOLUTION OF THE BOARD OF TRUSTEES OF THE SAN DIEGUITO UNION HIGH SCHOOL DISTRICT AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$84,960,000 AGGREGATE PRINCIPAL AMOUNT OF BONDS OF THE SAN DIEGUITO UNION HIGH SCHOOL DISTRICT, BY A NEGOTIATED SALE PURSUANT TO A BOND PURCHASE AGREEMENT, PRESCRIBING THE TERMS OF SALE, APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT, A PAYING AGENT AGREEMENT, AN INVESTMENT MANAGEMENT AGREEMENT, AND A CONTINUING DISCLOSURE CERTIFICATE AND APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT FOR THE SERIES 2021 BONDS, AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS

WHEREAS, an election was duly called and regularly held in the San Dieguito Union High School District, County of San Diego, California (herein called the “District”), on November 6, 2012, pursuant to Section 15100 *et seq.* of the California Education Code (the “Education Code”), at which a bond proposition (“Proposition AA”) summarized as follows was submitted to the electors of the District:

“To provide safe, modern schools and prepare students for success in college and careers by repairing and upgrading outdated classrooms and schools, constructing and upgrading school facilities, including classrooms, science labs, and libraries, improving safety and security, and supporting career training and math, science, and technology instruction with 21st Century instructional technology and facilities, shall San Dieguito Union High School District issue \$449 million in bonds with independent oversight, no money for administrator salaries, and all money staying local?”; and

WHEREAS, at least 55% of the votes cast on the proposition were in favor of issuing the bonds; and

WHEREAS, the District has heretofore issued its “San Dieguito Union High School District 2013 General Obligation Bonds (Election of 2012), Series A-1 (Taxable)” in the original principal amount of \$2,320,000, and its “San Dieguito Union High School District 2013 General Obligation Bonds (Election of 2012), Series A-2 (Tax-Exempt)” in the original principal amount of \$157,680,000, for authorized school purposes; and

WHEREAS, the District has heretofore issued its “San Dieguito Union High School District 2015 General Obligation Bonds (Election of 2012), Series B-1 (Taxable)” in the original principal amount of \$7,010,000, and its “San Dieguito Union High School District 2015 General Obligation Bonds (Election of 2012), Series B-2 (Tax-Exempt)” in the original principal amount of \$110,030,000, for authorized school purposes; and

WHEREAS, the District has heretofore issued its “San Dieguito Union High School District 2016 General Obligation Bonds (Election of 2012), Series C-1 (Taxable)” in the original

principal amount of \$795,000, and its “San Dieguito Union High School District 2016 General Obligation Bonds (Election of 2012), Series C-2 (Tax-Exempt)” in the original principal amount of \$61,205,000, for authorized school purposes; and

WHEREAS, the District has heretofore issued its “San Dieguito Union High School District 2018 General Obligation Bonds (Election of 2012), Series D-1 (Taxable)” in the original principal amount of \$3,100,000, and its “San Dieguito Union High School District 2018 General Obligation Bonds (Election of 2012), Series D-2 (Tax-Exempt)” in the original principal amount of \$21,900,000, for authorized school purposes; and

WHEREAS, at this time, the Board of Trustees of the District (the “Board of Trustees”) deems it necessary and desirable to authorize and consummate the sale of an additional portion of the bonds, designated the “San Dieguito Union High School District 2021 General Obligation Bonds (Election of 2012), Series E-1 (Taxable)” (the “Taxable Bonds”) and the “San Dieguito Union High School District 2021 General Obligation Bonds (Election of 2012), Series E-2 (Tax-Exempt)” (the “Tax-Exempt Bonds” and, together with the Taxable Bonds, the “Series 2021 Bonds”), with such additional or other series or subseries designations as may be approved as herein provided, in an aggregate initial principal amount not exceeding \$84,960,000, for purposes of financing projects authorized to be financed under Proposition AA, according to the terms and in the manner hereinafter set forth; and

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

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

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

WHEREAS, the Series 2021 Bonds shall be issued and sold by the District on its own behalf at a negotiated sale pursuant to authorization to be obtained from the Board of Supervisors (the “Board of Supervisors”) of the County of San Diego (the “County”); and

WHEREAS, a form of Bond Purchase Agreement (such Bond Purchase Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Bond Purchase Agreement”) to purchase the Series 2021 Bonds proposed to be entered into with Piper Sandler & Co. (the “Underwriter”) has been prepared; and

WHEREAS, the Board of Trustees recognizes that Fieldman Rolapp & Associates, Inc., has been engaged to act as Municipal Advisor (the “Municipal Advisor”) to the District, Stradling Yocca Carlson & Rauth, a Professional Corporation, has been engaged as disclosure counsel

(“Disclosure Counsel”) to the District and Orrick, Herrington & Sutcliffe LLP has been engaged as bond counsel (“Bond Counsel”) to the District with respect to the Series 2021 Bonds; and

WHEREAS, the County through the office of the Treasurer-Tax Collector of the County (the “Treasurer”) has been requested to act as Paying Agent (herein called the “Paying Agent”) with respect to the Series 2021 Bonds, and U.S. Bank National Association, or such other bank designated by an Authorized District Representative (hereinafter defined), will act as costs of issuance custodian with respect to the Series 2021 Bonds; and

WHEREAS, Section 5852.1 of the Government Code requires that the Board of Trustees 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, this Board of Trustees has obtained from the Municipal Advisor the required good faith estimates for the Series 2021 Bonds and such estimates are disclosed and set forth in Exhibit B attached hereto; and

WHEREAS, the Board of Trustees 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 of California (the “Governor”) and became effective January 1, 2016; and

WHEREAS, the pledge included in this Resolution to secure payment of the Series 2021 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 Series 2021 Bonds will be issued in compliance with the adopted debt policy of the District and the District will comply with all post-issuance requirements of SB1029; and

WHEREAS, the District desires that the County levy and collect a tax on all taxable property within the District sufficient to provide for payment of the Series 2021 Bonds, and intends by the adoption of this Resolution to notify the Board of Supervisors, the Auditor and Controller of the County, the Treasurer-Tax Collector of the County and other officials of the County that they should take such actions as shall be necessary to provide for the levy and collection of such a tax and payment of the Series 2021 Bonds, all pursuant to Sections 15250 and 15251 of the Education Code; and

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

WHEREAS, there have been submitted and are on file with the Clerk of this Board of Trustees proposed forms of a Bond Purchase Agreement, a Paying Agent Agreement, an Official Statement, a Continuing Disclosure Certificate and an Investment Management Agreement, all with respect to the proposed issuance of not to exceed \$84,960,000 aggregate principal amount of “San Dieguito Union High School District 2021 General Obligation Bonds (Election of 2012), Series E”;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the San Dieguito Union High School District, as follows:

Section 1. Recitals. All of the above recitals are true and correct and the Board of Trustees so finds.

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

“Auditor and Controller” means the Auditor and Controller of the County or any authorized deputy thereof.

“Authorized District Representative” means the President of the Board of Trustees, or such other member of the Board of Trustees as the President may designate, the Superintendent of the District, the Associate Superintendent, Business Services, of the District, the Executive Director of Planning Services, or such other officer or employee of the District as the Superintendent may designate.

“Board of Trustees” means the Board of Trustees of the District.

“Board of Supervisors” means the Board of Supervisors of the County.

“Bond Counsel” means Orrick, Herrington & Sutcliffe LLP or such other firm of nationally recognized bond counsel selected by the District.

“Bond Purchase Agreement” means the Bond Purchase Agreement relating to the sale of the Series 2021 Bonds by and between the District and the Underwriter in accordance with the provisions hereof.

“Cede & Co.” means Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Series 2021 Bonds.

“Code” means the Internal Revenue Code of 1986.

“Continuing Disclosure Certificate” means the Continuing Disclosure Certificate executed and delivered by the District relating to the Series 2021 Bonds.

“County” means the County of San Diego.

“District” means the San Dieguito Union High School District.

“DTC” means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors as securities depository for the Series 2021 Bonds, including any such successor thereto appointed pursuant to Section 9 hereof.

“Interest Payment Date” means February 1 and August 1 of each year commencing on August 1, 2021 or such other dates as may be set forth in the Bond Purchase Agreement.

“Investment Management Agreement” means the Investment Management Agreement relating to the Series 2021 Bonds by and between the District and the Treasurer.

“Official Statement” means the Official Statement of the District relating to the Series 2021 Bonds.

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

“Owner” means, with respect to any Series 2021 Bond, the person whose name appears on the Registration Books as the registered Owner thereof.

“Paying Agent” means the Treasurer or any bank, trust company, national banking association or other financial institution appointed as Paying Agent to act as authenticating agent, bond registrar, transfer agent and paying agent for the Series 2021 Bonds in accordance with Section 8 hereof.

“Paying Agent Agreement” means the Paying Agent Agreement relating to the Series 2021 Bonds by and between the District and the Treasurer in accordance with the provisions hereof.

“Preliminary Official Statement” means the Preliminary Official Statement of the District relating to the Series 2021 Bonds.

“Record Date” means, with respect to any Interest Payment Date for the Series 2021 Bonds, the 15th day of the calendar month immediately preceding such Interest Payment Date, whether or not such day is a business day, or such other date or dates as may be set forth in the Bond Purchase Agreement.

“Registration Books” means the books for the registration and transfer of the Series 2021 Bonds maintained by the Paying Agent in accordance with Section 8(d) hereof.

“Series 2021 Bonds” means the bonds authorized and issued pursuant to this Resolution, in one or more series or subseries, designated the “San Dieguito Union High School District 2021

General Obligation Bonds (Election of 2012), Series E-1 (Taxable)” and the “San Dieguito Union High School District 2021 General Obligation Bonds (Election of 2012), Series E-2 (Tax-Exempt),” with such additional or other series or subseries designations as may be approved as herein provided.

“**State**” means the State of California.

“**Tax Certificate**” means the Tax Certificate with respect to the Tax-Exempt Bonds, executed by the District, dated the date of issuance of the Series 2021 Bonds.

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

“**Taxable Bonds**” means those Series 2021 Bonds the interest on which is not Tax-Exempt.

“**Treasurer**” means the Office of the Treasurer-Tax Collector of the County or any authorized deputy thereof.

“**Underwriter**” means Piper Sandler & Co.

Section 3. Authorization and Designation of Bonds. Subject to the authorization of the District by the Board of Supervisors to issue and sell the Series 2021 Bonds without the further action of the Board of Supervisors pursuant to Sections 15140 and 15146 of the Education Code, as permitted by Section 53508.7 of the Government Code, which authorization is hereby respectfully requested, the Series 2021 Bonds described herein are being issued pursuant to the authority of Article 4.5 of Chapter 3, of Part 1 of Division 2 of Title 5 of the Government Code, and other applicable provisions of law, including applicable provisions of the Education Code. The Board of Trustees hereby authorizes the issuance and sale, by a negotiated sale, of not to exceed \$84,960,000 aggregate principal amount of Series 2021 Bonds. The Series 2021 Bonds may be issued in one or more series or subseries and shall be designated “San Dieguito Union High School District 2021 General Obligation Bonds (Election of 2012), Series E-1 (Taxable)” and the “San Dieguito Union High School District 2021 General Obligation Bonds (Election of 2012), Series E-2 (Tax-Exempt),” with appropriate additional or other series or subseries designations as approved by an Authorized District Representative, or such other designation as may be approved by an Authorized District Representative. The Series 2021 Bonds shall be issued as current interest bonds as provided in Section 5 hereof. The proceeds of the Series 2021 Bonds, exclusive of any premium and accrued interest received, shall be applied to finance projects authorized to be financed under Proposition AA.

Section 4. Form of Bonds; Execution. (a) *Form of Series 2021 Bonds.* The Series 2021 Bonds shall be issued in fully registered form without coupons. The Series 2021 Bonds and the certificate of authentication and registration and the form of assignment to appear on each of them, 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 Resolution.

(b) *Execution of Bonds.* The Series 2021 Bonds shall be signed by the manual or facsimile signature of the President of the Board of Trustees, and countersigned by the manual or facsimile signature of the Clerk of the Board of Trustees or the Secretary of the Board of Trustees. The Series 2021 Bonds shall be authenticated by a manual signature of a duly authorized signatory of the Paying Agent.

(c) *Valid Authentication.* Only such of the Series 2021 Bonds as shall bear thereon a certificate of authentication and registration as described in subsection (a) of this Section, executed by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Resolution, and such certificate of authentication and registration shall be conclusive evidence that the Series 2021 Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Resolution.

(d) *Identifying Number.* The Paying Agent shall assign each Series 2021 Bond authenticated and registered by it a distinctive letter, or number, or letter and number, and shall maintain a record thereof at its principal office, which record shall be available to the District and the County for inspection.

Section 5. Terms of Bonds. (a) *Date of Series 2021 Bonds.* The Series 2021 Bonds shall be dated the date of their delivery, or such other date as shall be set forth in the Bond Purchase Agreement.

(b) *Denominations.* The Series 2021 Bonds shall be issued in denominations of \$5,000 principal amount or any integral multiple thereof.

(c) *Maturity.* The Series 2021 Bonds shall mature on the date or dates, in each of the years, in the principal amounts and in the aggregate principal amount as shall be set forth in the Bond Purchase Agreement. No Series 2021 Bond shall mature later than the date which is 25 years from the date of the Series 2021 Bonds, to be determined as provided in subsection (a) of this Section. No Series 2021 Bond shall have principal maturing on more than one principal maturity date.

The aggregate principal amount of the Series 2021 Bonds issued shall not exceed \$84,960,000.

(d) *Interest; Series 2021 Bonds.* The Series 2021 Bonds shall bear interest at an interest rate not to exceed 8.0% per annum, payable on the Interest Payment Dates in each year computed on the basis of a 360-day year of twelve 30-day months. Each Series 2021 Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless it is authenticated after the close of business on a Record Date and on or prior to the succeeding Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or unless it is authenticated on or before the Record Date preceding the first Interest Payment Date, in which event it shall bear interest from its dated date; provided, however, that if, at the time of authentication of any Series 2021 Bond, interest is in default on any outstanding Series 2021 Bonds, such Series 2021 Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the outstanding Series 2021 Bonds.

(e) *Interest; Tax-Exempt or Taxable.* Each series of Series 2021 Bonds may be issued such that the interest on such series of Series 2021 Bonds is Tax-Exempt or such that the interest on such series of Series 2021 Bonds is not Tax-Exempt. The Board of Trustees hereby finds and determines that, pursuant to Section 5903 of the Government Code, the interest payable on each series of Series 2021 Bonds issued as Taxable Bonds will be subject to federal income taxation under the Code in existence on the date of issuance of such series of Series 2021 Bonds.

Section 6. Payment of Bonds. (a) *Request for Tax Levy.* The money for the payment of principal, redemption premium, if any, and interest on the Series 2021 Bonds shall be raised by taxation upon all taxable property in the District and provision shall be made for the levy and collection of such taxes in the manner provided by law and for such payment out of the interest and sinking fund of the District. The Board of Supervisors and officers of the County are obligated by statute to provide for the levy and collection of property taxes in each year sufficient to pay all principal and interest coming due on the Series 2021 Bonds in such year, and to pay from such taxes all amounts due on the Series 2021 Bonds. The District hereby requests the Board of Supervisors to annually levy a tax upon all taxable property in the District sufficient to redeem the Series 2021 Bonds, and to pay the principal, redemption premium, if any, and interest thereon as and when the same become due.

(b) *Principal.* The principal of the Series 2021 Bonds shall be payable in lawful money of the United States of America to the Owner thereof, upon the surrender thereof at the principal corporate trust office of the Paying Agent.

(c) *Interest; Record Date.* The interest on the Series 2021 Bonds shall be payable on each Interest Payment Date in lawful money of the United States of America to the Owner thereof as of the Record Date preceding such Interest Payment Date, such interest to be paid by check mailed on such Interest Payment Date (if a business day, or on the next 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 the Registration Books or at such address as the Owner may have filed with the Paying Agent for that purpose except that the payment shall be made by wire transfer of immediately available funds to any Owner of at least \$1,000,000 of outstanding Series 2021 Bonds who shall have requested in writing such method of payment of interest prior to the close of business on the Record Date immediately preceding any Interest Payment Date.

(d) *Interest and Sinking Fund.* Principal and interest due on the Series 2021 Bonds shall be paid from the interest and sinking fund of the District as provided in Section 15146 of the Education Code.

(e) *Obligation of the District.* No part of any fund or account of the County is pledged or obligated to the payment of the Series 2021 Bonds. The obligation for repayment of the Series 2021 Bonds is the sole obligation of the District.

Section 7. Redemption Provisions. (a) *Optional Redemption.* The Series 2021 Bonds may be subject to redemption, at the option of the District, on the dates and terms as shall be designated in the Bond Purchase Agreement. The Bond Purchase Agreement may provide that all or a portion of the Series 2021 Bonds shall not be subject to optional redemption.

(b) *Selection.* If less than all of the Series 2021 Bonds are subject to such redemption and are called for redemption, such Series 2021 Bonds shall be redeemed in inverse order of maturities or as otherwise directed by the District (or as otherwise set forth in the Bond Purchase Agreement), and if less than all of the Series 2021 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 (or as otherwise set forth in the Bond Purchase Agreement).

(c) *Mandatory Sinking Fund Redemption.* The Series 2021 Bonds, if any, which are designated in the Bond Purchase Agreement as term bonds shall also be subject to redemption prior to their stated maturity dates, without a redemption premium, in part by lot (or as otherwise set forth in the Bond Purchase Agreement), from mandatory sinking fund payments in the amounts and in accordance with the terms to be specified in the Bond Purchase Agreement. Unless otherwise provided in the Bond Purchase Agreement, the principal amount of each mandatory sinking fund payment of any maturity shall be reduced proportionately by the amount of any Series 2021 Bonds of that maturity redeemed in accordance with subsection (a) of this Section prior to the mandatory sinking fund payment date. The Bond Purchase Agreement may provide that the Series 2021 Bonds shall not be subject to mandatory sinking fund redemption. The Auditor and Controller is hereby authorized to create such sinking funds or accounts for the term Series 2021 Bonds as shall be necessary to accomplish the purposes of this Section.

(d) *Notice of Redemption.* Notice of any redemption of the Series 2021 Bonds shall be mailed by the Paying Agent, postage prepaid, not less than 20 nor more than 60 days prior to the redemption date (i) by first class mail to the County and the respective Owners thereof at the addresses appearing on the Registration Books, and (ii) as may be further required in accordance with the Continuing Disclosure Certificate.

Each notice of redemption shall state (i) the date of such notice; (ii) the name of the Series 2021 Bonds and the date of issue of the Series 2021 Bonds; (iii) the redemption date; (iv) the redemption price; (v) the series of Series 2021 Bonds and the dates of maturity or maturities of Series 2021 Bonds to be redeemed; (vi) if less than all of the Series 2021 Bonds of a series of any maturity are to be redeemed, the distinctive numbers of the Series 2021 Bonds of each maturity of such series to be redeemed; (vii) in the case of Series 2021 Bonds of a series redeemed in part only, the respective portions of the principal amount of the Series 2021 Bonds of each maturity of such series to be redeemed; (viii) the CUSIP number, if any, of each maturity of Series 2021 Bonds of a series to be redeemed; (ix) a statement that such Series 2021 Bonds must be surrendered by the Owners at the principal corporate trust office of the Paying Agent, or at such other place or places designated by the Paying Agent; (x) notice that further interest on such Series 2021 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.

(e) *Effect of Notice.* A certificate of the Paying Agent that notice of redemption has been given to Owners as herein provided shall be conclusive as against all parties. Neither the failure to receive the notice of redemption as provided in this Section, nor any defect in such notice shall affect the sufficiency of the proceedings for the redemption of the Series 2021 Bonds or the cessation of interest on the date fixed for redemption.

When notice of redemption has been given substantially as provided for herein, and when the redemption price of the Series 2021 Bonds called for redemption is set aside for the purpose as described in subsection (h) of this Section, the Series 2021 Bonds designated for redemption shall become due and payable on the specified redemption date and interest shall cease to accrue thereon as of the redemption date, and upon presentation and surrender of such Series 2021 Bonds at the place specified in the notice of redemption, such Series 2021 Bonds shall be redeemed and paid at the redemption price thereof out of the money provided therefor. The Owners of such Series 2021 Bonds so called for redemption after such redemption date shall be entitled to payment thereof only from the interest and sinking fund or the trust fund established for such purpose. All Series 2021 Bonds redeemed shall be cancelled forthwith by the Paying Agent and shall not be reissued.

(f) *Right to Rescind Notice.* The District may rescind any optional redemption and notice thereof for any reason on any date prior to the date fixed for redemption by causing written notice of the rescission to be given to the Owners of the Series 2021 Bonds so called for redemption. Any optional redemption and notice thereof shall be rescinded if for any reason on the date fixed for redemption monies are not available in the interest and sinking fund or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of, interest, and any premium due on the Series 2021 Bonds called for redemption. Notice of rescission of redemption shall be given in the same manner in which notice of redemption was originally given. The actual receipt by the Owner of any Series 2021 Bond of notice of such rescission shall not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice shall not affect the validity of the rescission.

(g) *Conditional Notice.* Any notice of optional redemption delivered hereunder may be conditioned on any fact or circumstance stated therein, and if such condition shall not have been satisfied on or prior to the redemption date stated in such notice, said notice shall be of no force and effect on and as of the stated redemption date, the redemption shall be cancelled, and the District shall not be required to redeem the Series 2021 Bonds that were the subject of the notice. The Paying Agent shall 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 Series 2021 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.

(h) *Funds for Redemption.* Prior to or on the redemption date of any Series 2021 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, monies for the purpose and sufficient to redeem, at the redemption prices as in this Resolution provided, the Series 2021 Bonds designated in the notice of redemption. Such monies shall be applied on or after the redemption date solely for payment of principal of, interest and premium, if any, on the Series 2021 Bonds to be redeemed upon presentation and surrender of such Series 2021 Bonds, provided that all monies 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 to be paid from such monies held in trust. If, after all of the Series 2021 Bonds have been redeemed and cancelled or paid and cancelled, there are monies remaining in the interest and sinking fund of the District or otherwise held in trust for the payment of the redemption

price of the Series 2021 Bonds, the monies 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 such fund; provided, however, that if the monies are part of the proceeds of bonds of the District, the monies shall be transferred to the fund created for the payment of principal of and interest on such bonds. If no such bonds of the District are at such time outstanding, the monies shall be transferred to the general fund of the District as provided and permitted by law.

(i) *Defeasance of Bonds.* If at any time the District shall pay or cause to be paid or there shall otherwise be paid to the Owners of any or all of the outstanding Series 2021 Bonds all or any part of the principal, interest and premium, if any, on the Series 2021 Bonds at the times and in the manner provided herein and in the Series 2021 Bonds, or as provided in the following paragraph, or as otherwise provided by law consistent herewith, then such Owners shall cease to be entitled to the obligation of the District as provided in Section 6 hereof, and such obligation and all agreements and covenants of the District and of the County to such Owners hereunder and under the Series 2021 Bonds shall thereupon be satisfied and discharged and shall terminate, except only that the District shall remain liable for payment of all principal, interest and premium, if any, represented by the Series 2021 Bonds, but only out of monies on deposit in the interest and sinking fund or otherwise held in trust for such payment; and provided further, however, that the provisions of this subsection shall apply in all events.

For purposes of this Section, the District may pay and discharge any or all of the Series 2021 Bonds by depositing in trust with the Paying Agent or an escrow agent, selected by the District, at or before maturity, money or non-callable direct obligations of the United States of America (including zero interest bearing State and Local Government Series) or other non-callable obligations the payment of the principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of America, in an amount which will, together with the interest to accrue thereon and available monies then on deposit in the interest and sinking fund of the District, be fully sufficient to pay and discharge the indebtedness on such Series 2021 Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates.

(j) *Unclaimed Monies.* Any money held in any fund created pursuant to this Resolution, or by the Paying Agent or an escrow agent in trust, for the payment of the principal of, redemption premium, if any, or interest on the Series 2021 Bonds and remaining unclaimed for two years after the principal of all of the Series 2021 Bonds has become due and payable (whether by maturity or upon prior redemption) shall be transferred to the interest and sinking fund of the District for payment of any outstanding bonds of the District payable from the fund; or, if no such bonds of the District are at such time outstanding, the monies shall be transferred to the general fund of the District as provided and permitted by law.

Section 8. Paying Agent. (a) *Appointment; Payment of Fees and Expenses.* This Board of Trustees does hereby consent to and confirm the appointment of the Treasurer to act as the initial paying agent for the Series 2021 Bonds. All fees and expenses of the paying agent shall be the sole responsibility of the District, and to the extent not paid from the proceeds of sale of the Series 2021 Bonds, or from the interest and sinking fund of the District, insofar as permitted by law, including specifically by Section 15232 of the Education Code, such fees and expenses shall be paid by the District.

(b) *Resignation, Removal and Replacement of Paying Agent.* The Paying Agent initially appointed or any successor Paying Agent may resign from service as Paying Agent and may be removed at any time by the District as provided in the Paying Agent's service agreement. If at any time the Paying Agent shall resign or be removed, the District shall appoint a successor Paying Agent, which shall be any bank, trust company, national banking association or other financial institution doing business in and having a corporate trust office in the State, with at least \$100,000,000 in net assets.

(c) *Principal Corporate Trust Office.* The initial Paying Agent, and any successor Paying Agent, shall designate each place or places where it will conduct the functions of transfer, registration, exchange, payment, and surrender of the Series 2021 Bonds, and any reference herein to the "principal corporate trust office" of the Paying Agent shall mean the office so designated for a particular purpose. If no office is so designated for a particular purpose, such functions shall be conducted at the office of the Treasurer, or the principal corporate trust office of any successor Paying Agent.

(d) *Registration Books.* The Paying Agent shall keep or cause to be kept at its principal corporate trust office sufficient books for the registration and transfer of the Series 2021 Bonds, which shall at all times be open to inspection by the District and the County, and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred on the Registration Books, Series 2021 Bonds as provided in Sections 9 and 10 hereof. The Paying Agent shall keep accurate records of all funds administered by it and of all Series 2021 Bonds paid and discharged by it. Such records shall be provided, upon reasonable request, to the District in a format mutually agreeable to the Paying Agent and the District.

Section 9. Transfer Under Book-Entry System; Discontinuation of Book-Entry System. (a) Unless otherwise specified in the Bond Purchase Agreement, DTC is hereby appointed depository for each series of the Series 2021 Bonds and the Series 2021 Bonds shall be issued in book-entry form only, and shall be initially registered in the name of "Cede & Co.," as nominee of DTC. One bond certificate shall be issued for each maturity of each series or subseries of the Series 2021 Bonds; provided, however, that if different CUSIP numbers are assigned to Series 2021 Bonds of a series or subseries maturing in a single year or, if Series 2021 Bonds of the same series or subseries maturing in a single year are issued with different interest rates, additional bond certificates shall be prepared for each such maturity. Registered ownership of such Series 2021 Bonds of each such maturity, or any portion thereof, may not thereafter be transferred except as provided in this Section or Section 10 hereof:

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

(ii) To any substitute depository not objected to by the District, upon (1) the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the District to substitute another depository for DTC (or its successor) because DTC or its successor (or any substitute

depository or its successor) is no longer able to carry out its functions as depository; provided, that any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

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

(b) In the case of any transfer pursuant to clause (i) or clause (ii) of subsection (a) of this Section, upon receipt of the outstanding Series 2021 Bonds by the Paying Agent, together with a written request of the District to the Paying Agent, a new Series 2021 Bond for each maturity shall be executed and delivered, registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such written request of the District. In the case of any transfer pursuant to clause (iii) of subsection (a) of this Section, upon receipt of the outstanding Series 2021 Bonds by the Paying Agent together with a written request of the District to the Paying Agent, new Series 2021 Bonds shall be executed and delivered in such denominations, numbered in the manner determined by the Paying Agent, and registered in the names of such persons, as are requested in such written request of the District, subject to the limitations of Section 5 hereof and the receipt of such a written request of the District, and thereafter, the Series 2021 Bonds shall be transferred pursuant to the provisions set forth in Section 10 hereof; provided, however, that the Paying Agent shall not be required to deliver such new Series 2021 Bonds within a period of less than 60 days after the receipt of any such written request of the District.

(c) In the case of partial redemption or an advance refunding of the Series 2021 Bonds evidencing all or a portion of the principal amount then outstanding, DTC shall make an appropriate notation on the Series 2021 Bonds indicating the date and amounts of such reduction in principal.

(d) The District and the Paying Agent shall be entitled to treat the person in whose name any Series 2021 Bond is registered as the Owner thereof, notwithstanding any notice to the contrary received by the District or the Paying Agent; and the District and the Paying Agent shall have no responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owners of the Series 2021 Bonds, and neither the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to the beneficial owners or to any other party, including DTC or its successor (or substitute depository or its successor), except for the Owner of any Series 2021 Bonds.

(e) So long as the outstanding Series 2021 Bonds are registered in the name of Cede & Co. or its registered assigns, the District and the Paying Agent shall cooperate with Cede & Co., as sole registered Owner, or its registered assigns in effecting payment of the principal of and interest on the Series 2021 Bonds by arranging for payment in such manner that funds for such payments are properly identified and are made immediately available on the date they are due.

Section 10. Transfer and Exchange. (a) *Transfer.* Following the termination or removal of DTC or successor depository pursuant to Section 9 hereof, any Series 2021 Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the Owner thereof, in person or by the duly authorized attorney of such Owner, upon surrender of such Series 2021 Bond to the Paying Agent for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Paying Agent.

Whenever any Series 2021 Bond or Series 2021 Bonds shall be surrendered for transfer, the designated District officials shall execute and the Paying Agent shall authenticate and deliver, as provided in Section 4 hereof, a new Series 2021 Bond or Series 2021 Bonds, of the same maturity, Interest Payment Date and interest rate for a like aggregate principal amount. The Paying Agent may require the payment by any Owner of Series 2021 Bonds requesting any such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

No transfer of any Series 2021 Bond shall be required to be made by the Paying Agent (i) during the period established by the Paying Agent for selection of the Series 2021 Bonds for redemption, and (ii) after any Series 2021 Bond has been selected for redemption.

(b) *Exchange.* The Series 2021 Bonds may be exchanged for Series 2021 Bonds of other authorized denominations of the same maturity, Interest Payment Date and interest rate, by the Owner thereof, in person or by the duly authorized attorney of such Owner, upon surrender of such Series 2021 Bond to the Paying Agent for cancellation, accompanied by delivery of a duly executed request for exchange in a form approved by the Paying Agent.

Whenever any Series 2021 Bond or Series 2021 Bonds shall be surrendered for exchange, the designated District officials shall execute and the Paying Agent shall authenticate and deliver, as provided in Section 4 hereof, a new Series 2021 Bond or Series 2021 Bonds of the same maturity and interest payment mode and interest rate and for a like aggregate principal amount. The Paying Agent may require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

No exchange of any Series 2021 Bonds shall be required to be made by the Paying Agent (i) during the period established by the Paying Agent for selection of the Series 2021 Bonds for redemption, and (ii) after any Series 2021 Bond has been selected for redemption.

Section 11. Bond Purchase Agreement; Sale of Bonds. The form of Bond Purchase Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, is hereby approved, and each Authorized District Representative is hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver one or more instruments in substantially said form, with such changes, insertions and omissions therein as the Authorized District Representative executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that (a) the interest rate on the Series 2021 Bonds shall not exceed 8.0% per annum, (b) the true interest cost on the Series 2021 Bonds shall not exceed 5.0%, (c) the Underwriter's discount for the sale of Series 2021 Bonds shall not exceed 0.4% of the principal amount of such Series 2021 Bonds exclusive of any costs of issuance the Underwriter contracts to pay, and (d) the Series 2021 Bonds shall otherwise conform to the limitations specified herein.

The Bond Purchase Agreement shall recite the aggregate principal amount of the Series 2021 Bonds, and 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, if any.

The Board of Trustees hereby finds and determines that the sale of the Series 2021 Bonds at negotiated sale as contemplated herein and by the Bond Purchase Agreement will provide more flexibility in the timing of the sale, and ability to implement the sale in a shorter time period, an increased ability to structure the Series 2021 Bonds to fit the needs of particular purchasers, and greater opportunity for the Underwriter to pre-market the Series 2021 Bonds to potential purchasers prior to the sale, all of which will contribute to the District's goal of achieving the lowest overall cost of funds. Estimates of the costs associated with the issuance of the Series 2021 Bonds, including any such costs which the Underwriter may agree to pay pursuant to the Bond Purchase Agreement, are set forth on Exhibit B attached hereto and incorporated herein.

In accordance with Section 15146(h) of the Education Code, to the extent not contracted to be paid by the Underwriter, each Authorized District Representative is hereby authorized to cause to be deposited in a costs of issuance account, which may be held by a bank, national banking association or trust company meeting the qualifications necessary to be a paying agent set forth in Section 8, as cost of issuance administrator, proceeds of sale of the Series 2021 Bonds (exclusive of any premium or accrued interest received) in an amount not exceeding 2.0% of the principal amount of the Series 2021 Bonds sold, as shall be set forth in the Bond Purchase Agreement, for the purposes of paying the costs associated with the issuance of the Series 2021 Bonds.

In accordance with subsections (i) and (j) of Section 15146 of the Education Code, each Authorized District Representative is hereby authorized to cause to be deposited in the interest and sinking fund of the District proceeds of sale of the Series 2021 Bonds (in addition to any premium or accrued interest received) to fund (i) an annual reserve permitted by Section 15250 of the Education Code, and/or (ii) capitalized interest in an amount not exceeding the interest scheduled to become due on the Series 2021 Bonds for a period of two years from the date of issuance of the Series 2021 Bonds, as shall be set forth in the Bond Purchase Agreement, if any such deposit is deemed by the Authorized District Representative executing the same to be in the best interests of the District.

Section 12. Paying Agent Agreement. The Paying Agent Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, is hereby approved, and each Authorized District Representative is hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver one or more instruments in substantially said form, with such changes, insertions and omissions as the Authorized District Representative executing the same may require or approve, such determination, requirement or approval to be conclusively evidenced by the execution of the Paying Agent Agreement by such Authorized District Representative.

Section 13. Pledge of Tax Revenues. The District hereby pledges all revenues from the property taxes collected from the levy by the Board of Supervisors for the payment of the Series 2021 Bonds and the outstanding bonds of the District heretofore or hereafter issued pursuant to voter approved measures of the District, including any refunding bonds thereof (for the purpose of

this pledge, hereinafter collectively referred to as the “District Bonds”) and amounts on deposit in the interest and sinking fund of the District to the payment of the principal or redemption price of and interest on the District Bonds. This pledge 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 the interest and sinking fund of the District shall be immediately subject to this pledge, and the pledge shall constitute a lien and security interest which shall immediately attach to the property taxes and amounts held in the interest and sinking fund of the District to secure the payment of the 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 and without the need of any physical delivery, recordation, filing, or further act.

The pledge is an agreement between the District and the bondholders to provide security for the Series 2021 Bonds in addition to any statutory lien that may exist, and the Series 2021 Bonds and each of the other District Bonds secured by the pledge are or were issued to finance one or more of the projects specified in the applicable voter-approved measure.

Section 14. Continuing Disclosure Certificate. The Continuing Disclosure Certificate, in substantially the form submitted to this meeting (and included as Appendix D to the Preliminary Official Statement) and made a part hereof as though set forth herein, is hereby approved, and each Authorized District Representative is hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver one or more instruments in substantially said form, as is necessary to cause the requirements of Rule 15c2-12 to be satisfied, with such changes, insertions and omissions as the Authorized District Representative executing the same may require or approve, such determination, requirement or approval to be conclusively evidenced by the execution of the Continuing Disclosure Certificate by such Authorized District Representative.

Section 15. Preliminary Official Statement. The Preliminary Official Statement to be distributed in connection with the public offering of the Series 2021 Bonds, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, with such changes, insertions and omissions as may be approved by an Authorized District Representative, is hereby approved, and the use of such Preliminary Official Statement by the Underwriter in connection with the offering and sale of the Series 2021 Bonds is hereby authorized and approved. Each Authorized District Representative is hereby authorized to certify on behalf of the District that such Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 (except for the omission of certain final pricing, rating and related information as permitted by Rule 15c2-12).

Section 16. Official Statement. The preparation and delivery of an Official Statement with respect to the Series 2021 Bonds, and its use by the Underwriter in connection with the offering and sale of the Series 2021 Bonds, is hereby authorized and approved. Such Official Statement shall be in substantially the form of the Preliminary Official Statement distributed in connection with the public offering of the Series 2021 Bonds with such changes, insertions and omissions as may be approved by an Authorized District Representative, such approval to be conclusively evidenced by the execution and delivery thereof. Each Authorized District Representative is hereby authorized and directed, for and in the name of and on behalf of the District, to execute the final Official Statement with respect to the Series 2021 Bonds and any

amendment or supplement thereto and thereupon to cause such final Official Statement and any such amendment or supplement to be delivered to the Underwriter.

Section 17. Investment Management Agreement. The Investment Management Agreement, by and between the District and the County, in substantially the form submitted to this Board, is hereby approved with such changes, additions and corrections as the Authorized District Representative may hereby approve. The Authorized District Representative is hereby authorized and directed to execute and deliver one or more instruments in substantially said form, each 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 18. Investment of Proceeds. (a) All funds held in the interest and sinking fund of the District shall be invested at the discretion of the Treasurer. In the absence of a written request from the District, proceeds of the Series 2021 Bonds held in the building fund of the District shall be invested at the sole discretion of the Treasurer pursuant to State law, including Section 53601 *et seq.* of the Government Code, as the same may be amended or supplemented from time to time, and the investment policy of the County.

(b) To the extent permitted by law (i) at the written request of an Authorized District Representative, each of whom is hereby expressly authorized to make such request, all or any portion of the building fund of the District may be invested on behalf of the District in the Local Agency Investment Fund in the treasury of the State, and (ii) at the written request of an Authorized District Representative, each of whom is hereby expressly authorized to make such request, all or any portion of the building fund of the District may be invested on behalf of the District, in investment agreements, including guaranteed investment contracts, float contracts or other investment products (collectively, "Investment Agreements"), which comply with the requirements of each rating agency then rating the Series 2021 Bonds necessary in order to maintain the then-current rating on the Series 2021 Bonds. Pursuant to Section 5922 of the Government Code, the Board of Trustees hereby finds and determines that the Investment Agreements will reduce the amount and duration of interest rate risk with respect to amounts invested pursuant to the Investment Agreements and are designed to reduce the amount or duration of payment, rate, spread or similar risk or result in a lower cost of borrowing when used in combination with the Series 2021 Bonds or enhance the relationship between risk and return with respect to investments of proceeds of the Series 2021 Bonds and funds held to pay the Series 2021 Bonds.

Section 19. Tax Covenants. (a) 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 a Tax-Exempt series of Series 2021 Bonds under Section 103 of the Code. Without limiting the generality of the foregoing, the District hereby covenants that it will comply with the requirements of the Tax Certificate to be executed by the District on the date of issuance of each Tax-Exempt series of Series 2021 Bonds. The provisions of this subsection (a) shall survive payment in full or defeasance of the Series 2021 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 monies held by the Treasurer on behalf of the District, in accordance with this Resolution or pursuant to law, the District shall so request of the Treasurer in writing, and the District shall make its best efforts to ensure that the Treasurer shall take such action as may be necessary in accordance with such instructions.

(c) Notwithstanding any provision of this Section, if the District shall provide to the Treasurer 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 a Tax-Exempt series of Series 2021 Bonds under Section 103 of the Code, the Treasurer may conclusively rely on such Opinion of Bond Counsel in complying with the requirements of this Section and of each Tax Certificate with respect to the Tax-Exempt series of Series 2021 Bonds, and the covenants hereunder shall be deemed to be modified to that extent.

Section 20. Professional Services. Fieldman, Rolapp & Associates, Inc. shall serve as Municipal Advisor to the District for the Series 2021 Bonds. Stradling Yocca Carlson & Rauth, a Professional Corporation, shall serve as Disclosure Counsel to the District for the Series 2021 Bonds. Orrick, Herrington & Sutcliffe LLP shall serve as Bond Counsel to the District for the Series 2021 Bonds. Piper Sandler & Co. shall serve as Underwriter for the Series 2021 Bonds.

Section 21. Delegation of Authority. Each Authorized District Representative is 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, and to execute and deliver any and all contracts or agreements, including, but not limited to, agreements with bond insurers and paying agents, commitment letters, depository agreements (including for the payment of issuance costs), consultant contracts, printing contracts, and similar contracts relating to issuance of the Series 2021 Bonds, or the investment of the proceeds, and all certificates and representations, including signature certificates, no-litigation certificates, certificates concerning the contents of the Official Statement, representation letters to DTC, the Tax Certificate, the Investment Management Agreement, continuing disclosure filings and any other certificates proposed to be distributed in connection with the Series 2021 Bonds, which any of them deem necessary or desirable to accomplish the transactions authorized herein and to prepare and revise, as such officer determines appropriate, post-issuance compliance procedures to ensure continued compliance by the District with the covenants related to the Series 2021 Bonds. Each Authorized District Representative is also authorized to execute and deliver more than one of each or any of the documents approved by this Resolution should such Authorized District Representative determine, in consultation with the Municipal Advisor and Bond Counsel, that it is necessary or desirable to do so. All actions heretofore taken by the officers, employees and agents of the District with respect to the transactions set forth above are hereby approved, confirmed and ratified.

Section 22. Notice to California Debt and Investment Advisory Commission. Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District, on behalf of this Board of Trustees is hereby authorized and directed to cause notices of the proposed sale and final sale of the Series 2021 Bonds to be filed in a timely manner with the California Debt and Investment Advisory

Commission pursuant to Section 8855 of the Government Code and to specify that the issuance of the Series 2021 Bonds will be made in compliance with the District's adopted debt policy.

Section 23. Filing with County. The Superintendent, or such other officer or employee of the District as the Superintendent may designate, is hereby authorized and directed to report to the Auditor and Controller the final terms of sale of the Series 2021 Bonds, and to file with the Auditor and Controller and with the Treasurer a copy of the executed Bond Purchase Agreement and this Resolution, and the schedule of amortization of the principal of and payment of interest on the Series 2021 Bonds, and to file with the Treasurer a proposed schedule of draws on the building fund of the District, and this Resolution shall serve as the notice required to be given by Section 15140(c) of the Education Code and as the District's request to the Auditor and Controller and the Board of Supervisors to propose and adopt in each year a tax rate applicable to all taxable property of the District for payment of the Series 2021 Bonds, pursuant to law; and to the other officers of the County to levy and collect said taxes for the payment of the Series 2021 Bonds, to pay in a timely manner to the Paying Agent on behalf of the Owners of the Series 2021 Bonds the principal, interest, and premium, if any, due on the Series 2021 Bonds in each year, and to create in the County treasury to the credit of the District a building fund and an interest and sinking fund pursuant to Section 15146 of the Education Code.

Section 24. Indemnification of County. The District shall indemnify and hold harmless, to the extent permitted by law, the County and its officers and employees ("Indemnified Parties"), against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Parties may become subject because of action or inaction related to the adoption of any resolution by the Board of Supervisors authorizing the District to issue and sell the Series 2021 Bonds without the further action of the Board of Supervisors pursuant to Sections 15140 and 15146 of the Education Code, as permitted by Section 53508.7 of the Government Code. The District shall also reimburse any such Indemnified Parties for any legal or other expenses incurred in connection with investigating or defending any such claims or actions.

Section 25. Electronic Signatures; DocuSign. This Board of Trustees 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 26. Severability. If any one or more of the provisions contained in this Resolution or in the Series 2021 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 Series 2021 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 Series 2021 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 27. Effective Date. This Resolution shall take effect from and after its date of adoption.

PASSED AND ADOPTED this day, April 22, 2021.

President of the Board of Trustees of the
San Dieguito Union High School District

ATTEST:

Clerk of the Board of Trustees of the
San Dieguito Union High School District

EXHIBIT A**FORM OF BOND**

Number R-__	UNITED STATES OF AMERICA STATE OF CALIFORNIA COUNTY OF SAN DIEGO	Amount \$_____
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SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
(SAN DIEGO COUNTY, CALIFORNIA)
2021 GENERAL OBLIGATION BONDS
(ELECTION OF 2012), SERIES [E-1 (TAXABLE)][E-2 (TAX-EXEMPT)]

Maturity Date	Interest Rate	Dated as of	CUSIP No.
August 1, 20__	____%	_____, 2021	_____

Registered Owner: CEDE & CO.

Principal Amount: _____ DOLLARS

San Dieguito Union High School District, County of San Diego, State of California (the “District”), acknowledges itself obligated to and promises to pay to the Registered Owner identified above or registered assigns, on the Maturity Date set forth above or upon prior redemption hereof, the Principal Amount specified above in lawful money of the United States of America, and 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 [February 1, 2022][August 1, 2021], and thereafter on February 1 and August 1 in each year (each, an “interest payment date”), until payment of said principal sum. If this bond is authenticated and registered on any date on or prior to [January 15, 2022][July 15, 2021], it shall bear interest from the date of issuance 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 Office of the Treasurer-Tax Collector of the County of San Diego, the paying agent/registrant and transfer agent of the District (the “Paying Agent”). The interest hereon is payable to the person whose name appears on the bond registration books of the Paying Agent as the Registered Owner hereof as of the close of business on the 15th day of the month preceding an interest payment date (the “Record Date”), whether or not such day is a business day, such interest to be paid by check 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 aggregating at least \$1,000,000 in principal amount, interest will be paid by wire transfer in immediately available funds to an account maintained in the United States as specified by the

Registered Owner in such request. So long as Cede & Co. or its registered assigns shall be the Registered Owner of this Bond, payment shall be made in immediately available funds as provided in the Resolution hereinafter described.

This Bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying series, numbers, denominations, interest rates, interest payment modes, maturities and redemption provisions), in the aggregate principal amount of \$_____, and designated as “San Dieguito Union High School District 2021 General Obligation Bonds (Election of 2012), Series [E-1 (Taxable)][E-2 (Tax-Exempt)]” (the “Bonds”). The Bonds were authorized by a vote of at least 55% percent of the voters voting at an election duly and legally called, held and conducted in the District on November 6, 2012. The Bonds are issued and sold by the Board of Trustees of the District pursuant to and in strict conformity with the provisions of the Constitution and laws of the State of California, and a resolution approved by the Board of Trustees of the District (the “Board”) on April 22, 2021 (the “Resolution”) and are issued and sold pursuant to the Resolution and a Paying Agent Agreement (the “Paying Agent Agreement”), dated as of June 1, 2021, between the District and the Paying Agent. Reference is made to the Resolution 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 the payment of the Bonds and all of the terms of the Resolution are hereby incorporated herein and constitute a contract between the District and the owner of this Bond, to all the provisions of which the owner of this Bond, by acceptance hereof, agrees and consents. Capitalized undefined terms used herein have the meanings ascribed thereto in the Resolution.

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

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

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

[The Bonds are not subject to redemption prior to maturity.] [The Bonds are subject to optional and mandatory sinking fund redemption on the terms and subject to the conditions specified in the Bond Purchase Agreement, and as shown in the attached Redemption Schedule. If this Bond is called for redemption and payment is duly provided therefor, interest shall cease to accrue hereon from and after the date fixed for redemption.]

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

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

IN WITNESS WHEREOF, the Board of Trustees of the San Dieguito Union High School District, County of San Diego, State of California, has caused this bond to be signed by its President and countersigned by the Clerk of said Board, as of the dated date set forth above.

President of the Board of Trustees of the
San Dieguito Union High School District

Countersigned:

Clerk of the Board of Trustees of the
San Dieguito Union High School District

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is one of the Bonds described in the within-mentioned Resolution and authenticated and registered on _____, 2021.

**COUNTY OF SAN DIEGO, OFFICE OF
THE TREASURER-TAX COLLECTOR
OF THE COUNTY OF SAN DIEGO**, as
Paying Agent/Registrar and Transfer Agent

By: _____
Authorized Officer

DTC LEGEND

Unless this Bond is presented by an Authorized District Representative of The Depository Trust Company, a New York corporation (“DTC”), to District or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an Authorized District Representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an Authorized District 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.

ASSIGNMENT

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

I.D. Number

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

Dated: _____

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

REDEMPTION SCHEDULE

EXHIBIT B**GOOD FAITH ESTIMATES****San Dieguito Union High School District
2021 General Obligation Bonds (Election of 2012),
Series E-1 (Taxable) and Series E-2 (Tax-Exempt)**

The following information was obtained from Fieldman, Rolapp & Associates, Inc., as the Municipal Advisor in connection with the above-captioned bonds (the “Bonds”) approved in the attached Resolution, and is provided in compliance with Section 15146(b)(4) of the Education Code of the State of California and Senate Bill 450 (Chapter 625 of the 2017-18 Session of the California Legislature) with respect to the Bonds:

1. *True Interest Cost of the Bonds.* Assuming a principal amount of the Bonds of \$84,960,000 (the “Principal Amount”) are sold and based on market interest rates prevailing at the time of preparation of this information, a 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 2.649%.

2. *Finance Charge of the Bonds.* Assuming the Principal Amount is sold and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the finance charge of the Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Bonds), is \$584,840.

3. *Amount of Proceeds to be Received.* Assuming the Principal Amount is sold and based on market interest rates prevailing at the time of preparation of this information, a 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 described in paragraph 2 above and any reserves or capitalized interest paid or funded with proceeds of the Bonds, is \$84,923,529.44.

4. *Total Payment Amount.* Assuming the Principal Amount is sold and based on market interest rates prevailing at the time of preparation of this information, a 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 of the Bonds described in paragraph 2 above not paid with the proceeds of the Bonds, calculated to the final maturity of the Bonds, is \$129,646,785.41.

Attention is directed to the fact that the foregoing information constitutes good faith estimates only. The actual interest cost, finance charges, amount of proceeds and total payment amount may vary from the estimates above due to variations from these estimates in the timing of bond sales, the amount of Bonds sold, the amortization of the Bonds sold and market interest rates at the time of sale. The actual interest rates at which the Bonds will be sold will depend on the Bond market at the time of each sale. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of sale. Market interest rates are affected by economic and other factors beyond the District’s control.

EXHIBIT C**ESTIMATES OF COSTS OF ISSUANCE****\$84,960,000*****San Dieguito Union High School District
2021 General Obligation Bonds (Election of 2012),
Series E-1 (Taxable) and Series E-2 (Tax-Exempt)**

Service	Firm	Payable at Closing*
Bond Counsel	Orrick, Herrington & Sutcliffe LLP	\$ 45,000.00
Disclosure Counsel Fees and Expenses	Stradling Yocca Carlson & Rauth, a Professional Corporation	24,500.00
Municipal Advisor	Fieldman, Rolapp & Associates, Inc.	49,500.00
Municipal Advisor – Expenses	Fieldman, Rolapp & Associates, Inc.	1,050.00
Reimbursement for CalMuni Report	Fieldman, Rolapp & Associates, Inc.	1,032.50
District Counsel	Laura Romano	5,000.00
Paying Agent	County of San Diego	1,500.00
COI Custodian	U.S. Bank National Association	1,500.00
Rating Agency	S&P Global Ratings	55,000.00
Rating Agency	Moody’s Investors Service	55,000.00
Printer	AVIA Communications	1,400.00
Contingency	N/A	4,517.50
Total Costs of Issuance		\$245,000.00

Underwriter’s discount not to exceed 0.4% of the aggregate principal amount of Series 2021 Bonds.

* Preliminary, subject to change.

CLERK'S CERTIFICATE

I, Katrina Young, Clerk of the Board of Trustees of the San Dieguito Union High School District (the "District"), County of San Diego, California, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Trustees of the District duly and regularly held at the regular meeting place thereof on April 22, 2021, and entered in the minutes thereof, of which meeting all of the members of the Board of Trustees had due notice and at which a quorum thereof was present, and that at said meeting the resolution was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

An agenda of the meeting was posted at least 72 hours before the meeting at 710 Encinitas Boulevard, Encinitas, 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 March 17, 2020, and a brief description of the resolution appeared on the agenda.

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

Dated: _____, 2021.

Clerk of the Board of Trustees of
San Dieguito Union High School District

Form of
Bond Purchase Agreement

BOND PURCHASE AGREEMENT**SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
(County of San Diego, California)**

**[\$E-1 Par Amount]
2021 GENERAL OBLIGATION BONDS
(ELECTION OF 2012),
SERIES E-1 (TAXABLE)**

**[\$E-2 Par Amount]
2021 GENERAL OBLIGATION BONDS
(ELECTION OF 2012),
SERIES E-2 (TAX-EXEMPT)**

[Sale Date]

Board of Trustees
San Dieguito Union High School District
710 Encinitas Boulevard
Encinitas, CA 92024

Ladies and Gentlemen:

The undersigned, Piper Sandler & Co. (the “Underwriter”), hereby offers to enter into this Bond Purchase Agreement (the “Purchase Contract”) with the Board of Trustees of the San Dieguito Union High 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 irrevocable until such time as it is sooner accepted or rejected by the District. Upon acceptance of this offer by the District in accordance with the terms hereof, this Purchase Contract will be binding upon the District and upon the Underwriter.

1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, covenants and agreements hereinafter set forth, the Underwriter hereby agrees to purchase from the District for offering to the public, and the District hereby agrees to sell to the Underwriter for such purpose, all (but not less than all) of the \$[Par Amount] aggregate principal amount of the San Dieguito Union High School District 2021 General Obligation Bonds (Election of 2012), Series E-1 (Taxable) (the “Taxable Bonds”) and San Dieguito Union High School District 2021 General Obligation Bonds (Election of 2012), Series E-2 (Tax-Exempt) (the “Tax-Exempt Bonds” and, together with the Taxable Bonds, the “Bonds”), at the purchase price of \$[Purchase Price], which has been computed as the aggregate principal amount of the Bonds (\$[Par Amount]), [plus/less] [net] original issue [premium/discount], and less Underwriter’s discount (\$[UW Discount]). The Underwriter’s discount does not exceed 0.4% of the aggregate principal amount of the Bonds.

The District acknowledges and agrees 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 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 principal and not as agent or a fiduciary of or municipal advisor to the District, (iii) the Underwriter has not assumed (individually or collectively) an advisory or fiduciary responsibility in favor of the District with respect to (a) the offering of the 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 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.

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 the issuance resolution of the Board of Trustees of the District, adopted on April 22, 2021 (the “Resolution”), and pursuant to the terms of that certain Paying Agent Agreement, dated as of June 1, 2021 (the “Paying Agent Agreement”), to be entered into by and between the District and the County of San Diego (the “County”), acting through the Office of the Treasurer-Tax Collector (the “Treasurer-Tax Collector”), 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 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 Taxable Bonds shall be payable on [February 1, 2022], and thereafter on February 1 and August 1 in each year until maturity. Interest on the Tax-Exempt Bonds shall be payable on [August 1, 2021], 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 8 hereof, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, NY (“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 8 hereof. The Underwriter shall order CUSIP identification numbers and the District shall cause such CUSIP identification numbers to be printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Underwriter to accept delivery of and pay for the Bonds in accordance with the terms of this Purchase Contract.

3. Offering. The Underwriter hereby certifies that it 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. Subsequent to such initial public offering, the Underwriter reserves the right to change such initial public offering prices or yields as it deems necessary in connection with the marketing of the Bonds; provided that the Underwriter 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 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 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 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 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 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 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) 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, 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 and Agreements of the District. The District represents to and agrees with the Underwriter that, as of the date hereof and as of the date of the Closing:

(a) The District is a school district duly organized and validly existing under the Constitution and general laws of the State of California.

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

(c) The District has duly adopted the Resolution in accordance with the laws of the State of California; the 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 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 Resolution, the Paying Agent Agreement, and the Bonds.

(d) 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 (a)(2) 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.

(e) The Preliminary Official Statement as of its date 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 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); and information provided by the Underwriter 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.

(f) 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 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 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 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 Bonds. Unless the Underwriter otherwise advises the District that the end of the underwriting period shall be another specified date, the end of the underwriting period shall be the Closing Date.

(g) The District will undertake, pursuant to 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 all material respects with any previous undertakings pursuant to Rule 15c2-12.

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

(i) 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.

(j) 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 Resolution, a copy of Appendix A hereto, and the full debt service schedule for the Bonds.

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

(l) To the best knowledge of the District, the issuance of the Bonds, and the execution, delivery and performance of the 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 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.

(m) As of the time of acceptance hereof, no action, suit, proceeding, hearing or investigation is pending or, to the best knowledge of the District, threatened against the District: (i) in any way affecting the existence of the District or in any way challenging the respective powers of the several offices 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 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 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 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 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 the interest paid on the Bonds from California personal income taxation.

(n) 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 signing the same, as to the statements made therein.

(o) 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.

5. 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 execute 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 bind itself hereby.

(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 financial advisory relationship with the District 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 financial advisory relationship.

(d) The Underwriter has reasonably determined that the District's undertaking pursuant to Sections 4(g) and 6(a)(10) hereof to provide continuing disclosure with respect to the Bonds is sufficient to effect compliance with Rule 15c2-12.

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

(1) a certificate, signed by an official of the District, confirming to the Underwriter that the Preliminary Official Statement as of its date 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, 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 Underwriter 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 Underwriter that the Preliminary Official Statement as of its date 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, 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 official of the District (or an opinion of counsel to the District), confirming to the Underwriter that, as of the date of this Purchase Contract and at the time of Closing, there is no litigation pending, with service of process completed, or, to the best of the knowledge of said person, threatened, concerning the validity of the Bonds, the levy of taxes to repay the Bonds or the application of tax proceeds to that purpose, the corporate existence of the District, or the entitlement of the officers of the District who have signed the Bonds and the various certificates and agreements of the District relating to the issuance and sale of Bonds, to their respective offices.

- (4) a certificate or certificates, signed by an official of the District, confirming to the Underwriter that as of the Closing Date all of the representations of the District contained in this Purchase Contract are true, and that the Resolution is in full force and effect and has not been amended, modified or rescinded.
- (5) the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel with respect to the issuance of the Bonds (“Bond Counsel”), addressed to the District, approving the validity of the Bonds, substantially in the form set forth as Appendix C to the Official Statement.
- (6) a supplemental opinion of Bond Counsel in a form acceptable to the Underwriter, substantially in the form set forth as Appendix B herein.
- (7) an opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, disclosure counsel with respect to the Bonds (“District Counsel”), addressed to and satisfactory in form and substance to the District, the Underwriter and Bond Counsel.
- (8) an opinion of [Underwriter’s Counsel], counsel for the Underwriter (“Underwriter’s Counsel”), dated the date of Closing and addressed to the Underwriter, satisfactory in form and substance to the Underwriter.
- (9) the receipt of the District or its agent confirming payment by the Underwriter of the Purchase Price of the Bonds.
- (10) the duly executed Continuing Disclosure Certificate of the District, in substantially the form attached as Appendix D to the Preliminary Official Statement.
- (11) a certified copy of the adopted Resolution.
- (12) an executed copy of the Paying Agent Agreement.
- (13) an executed copy of this Purchase Contract.
- (14) the duly executed Tax Certificate of the District, dated the date of Closing, in form satisfactory to Bond Counsel.
- (15) an executed copy of the Official Statement.
- (16) the letter of S&P Global Ratings and Moody’s Investors Service, to the effect that such rating agencies have rated the Bonds “[]” and “[],” respectively (or such other equivalent rating as such rating agency may give), and that each such rating has not been revoked or downgraded.
- (17) 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 \$30.00 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.
- (18) 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 Bonds and the payment of the Purchase Price thereof, the Underwriter will provide to the District: the receipt of the Underwriter, in form satisfactory to the District and signed by an authorized officer of the Underwriter, confirming delivery of the 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.

7. Termination. (a) *By District.* In the event of the District's failure to deliver the 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 shall terminate.

(b) *By Underwriter.*

(1) *Excused.* The Underwriter may terminate 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 Bonds, 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 federal government or State of California which renders interest on the Tax-Exempt Bonds not excluded from gross income for federal income tax purposes or renders interest on the Bonds not exempt from State of California personal income taxes, which in the reasonable opinion of the Underwriter 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 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, 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, 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, or there shall have occurred a declared national or international emergency, calamity or crisis, or escalation thereof, that interrupts or causes disorder to the operation of the financial markets in the United States;

(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 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 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 Underwriter's judgment, requires or has required an amendment of or supplement to the Official Statement.

(2) *Unexcused.* In the event the Underwriter 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 Underwriter shall have no right in or to the Bonds.

8. 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 Bonds in book-entry form duly executed by the District, together with the other documents described in Section 6(a) hereof; and the Underwriter 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 wire, in an aggregate amount equal to such 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 6(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 Underwriter. 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 Underwriter. 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."

9. 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 Fieldman Rolapp & Associates, 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 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). If at that time the 10% test has not been satisfied as to any maturity of the Tax-Exempt Bonds, the 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 the Underwriter 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 it has sold 10% of that maturity of the Tax-Exempt Bonds to the public at a price that is no higher than the initial offering price to the public, 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 Underwriter 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 an 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 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.

10. Expenses. (a) The District shall pay or cause to be paid the expenses incident to the performance of its obligations hereunder from the proceeds of the Bonds (or from any other source of available funds of the District), which expenses include, but are not limited to: (i) the cost of the preparation and reproduction of the 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, and any amendment or supplement thereto in the quantity requested by the Underwriter in accordance herewith; (vi) initial rating fee of S&P Global Ratings and Moody’s Investors Service; (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 such advisors as it may deem appropriate, if any, to evaluate and consider the fees and expenses being incurred as part of the issuance of the Bonds.

(b) All other costs and expenses incurred by the Underwriter as a result of or in connection with the purchase of the Bonds and their public offering and distribution shall be borne by the Underwriter, including, but not limited to (i) clearing house 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 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.

11. 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 by delivering the same in writing to the District at the address given below, and may be given to the Underwriter by delivering the same in writing to the address of the Underwriter set forth below, or such other address as the District or the Underwriter may designate by notice to the other parties.

To the District: San Dieguito Union High School District
710 Encinitas Boulevard
Encinitas, CA 92024
Attention: Associate Superintendent, Business Services

To the Underwriter: Piper Sandler & Co.
50 California, Suite 3100
San Francisco, CA 94111
Attention: Ralph Holmes

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

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

14. 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.

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

15. Counterparts. This Purchase Contract, for the purchase and sale of the San Dieguito Union High School District 2021 General Obligation Bonds (Election of 2012), Series E-1 (Taxable) and San Dieguito Union High School District 2021 General Obligation Bonds (Election of 2012), Series E-2 (Tax-Exempt), may be executed in several counterparts, which together shall constitute one and the same instrument.

Respectfully submitted,

PIPER SANDLER & CO.

By: _____
Authorized Signatory

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

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

By: _____
Associate Superintendent, Business Services

APPENDIX A

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
(County of San Diego, California)

\$[E-1 Par Amount]
2021 GENERAL OBLIGATION BONDS
(ELECTION OF 2012),
SERIES E-1 (TAXABLE)

\$[E-2 Par Amount]
2021 GENERAL OBLIGATION BONDS
(ELECTION OF 2012),
SERIES E-2 (TAX-EXEMPT)

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 Bonds maturing on or before August 1, 20__, are not subject to redemption prior to their respective stated maturity dates. The Bonds maturing on and 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 Bonds to be redeemed, without premium, together with interest accrued thereon to the date fixed for redemption.

[Mandatory Sinking Fund Redemption. The \$_____ 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 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

**SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
(County of San Diego, California)**

**[\$E-1 Par Amount]
2021 GENERAL OBLIGATION BONDS
(ELECTION OF 2012),
SERIES E-1 (TAXABLE)**

**[\$E-2 Par Amount]
2021 GENERAL OBLIGATION BONDS
(ELECTION OF 2012),
SERIES E-2 (TAX-EXEMPT)**

[To come]

APPENDIX B

PROPOSED FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

[To come]

APPENDIX C

FORM OF ISSUE PRICE CERTIFICATE

[\$[Tax-Exempt Par]
SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
(County of San Diego, California)
2021 GENERAL OBLIGATION BONDS
(ELECTION OF 2012), SERIES E-2 (TAX-EXEMPT)

The undersigned, on behalf of Piper Sandler & Co. (the “Underwriter”) 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. Pursuant to such agreement, no 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. ***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 San Dieguito Union High 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).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Underwriter’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.

PIPER SANDLER & CO. LLC

By: _____

Name: _____

Dated: _____, 2021

SCHEDULE A

INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES

(Attached.)

SCHEDULE B

PRICING WIRE OR EQUIVALENT COMMUNICATION

(Attached.)

C-B-1

Form of
Paying Agent Agreement



TREASURER-TAX COLLECTOR SAN DIEGO COUNTY

www.sdttc.com

Dan McAllister
Treasurer-Tax Collector



PAYING AGENT AGREEMENT

THIS PAYING AGENT AGREEMENT (the “Agreement”), is entered into as of June 1, 2021, between the San Dieguito Union High School District (the “District”), and the County of San Diego acting through the Office of the Treasurer–Tax Collector, San Diego County, California (the “County”), as Paying Agent and Registrar.

RECITALS

WHEREAS, the District has duly authorized and provided for the issuance of its Bonds, entitled the “San Dieguito Union High School District 2021 General Obligation Bonds (Election of 2012), Series E-1 (Taxable)” (the “Taxable Bonds”) and the “San Dieguito Union High School District 2021 General Obligation Bonds (Election of 2012), Series E-2 (Tax-Exempt)” (the “Tax-Exempt Bonds” and, together with the Taxable Bonds, the “Bonds”) in an aggregate principal amount of \$_____. Bonds will be issued as fully registered bonds without coupons;

WHEREAS, the District will ensure that all things necessary to make the Bonds the valid obligations of the District, in accordance with their terms and the requirements of State of California (“State”) law, will be done upon the issuance, sale and delivery thereof;

WHEREAS, the District and the County wish to provide the terms under which the County will act as Paying Agent to pay the principal, redemption premium (if any), and interest on the Bonds, in accordance with the terms thereof, and under which the County will act as Registrar for the Bonds;

WHEREAS, the County has agreed to serve in such capacities for and on behalf of the District and has full power and authority to perform and serve as Paying Agent and Registrar for the Bonds;

WHEREAS, the District and the County have each authorized the execution and delivery of this Agreement; and all things necessary to make this Agreement a valid agreement have been done.

NOW, THEREFORE, it is mutually agreed as follows:

ARTICLE ONE

DEFINITIONS

Section 1.01. Definitions.

For all purposes of this Agreement except as otherwise expressly provided or unless the context otherwise requires:

“Bond” or “Bonds” means any one or all of the \$_____ in aggregate principal amount of bonds entitled “San Dieguito Union High School District 2021 General Obligation Bonds (Election of 2012), Series E-1 (Taxable)” and the “San Dieguito Union High School District 2021 General Obligation Bonds (Election of 2012), Series E-2 (Tax-Exempt).”

“Bond Register” means the book or books of registration kept by the County in which are maintained the names and addresses of, and principal amounts registered to, each Registered Owner.

“Bond Resolution” means the Resolution of the District pursuant to which the Bonds were issued.

“County” means the Office of the Treasurer–Tax Collector, County of San Diego, California.

“District” means the San Dieguito Union High School District.

“District Request” means a written request signed in the name of the District and delivered to the County.

“DTC” or “Depository” means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York in its capacity as securities depository for the Bonds.

“Fiscal Year” means the fiscal year of the District ending on June 30 of each year.

“Investment Management Agreement” means that certain Investment Management Agreement entered into by and between the District and the County.

“Paying Agent” means the County when it is performing the function of paying agent for the Bonds.

“Person” means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision of a government or any entity whatsoever.

“Registered Owner” means a Person in whose name a Bond is registered in the Bond Register.

“Registrar” means the County when it is performing the function of registrar, authentication agent and/or transfer agent for the Bonds.

ARTICLE TWO

APPOINTMENT OF COUNTY AS
PAYING AGENT AND REGISTRAR

Section 2.01. Appointment and Acceptance.

The District hereby appoints the County to act as Paying Agent with respect to the Bonds, to pay, or to provide for payment, to the Registered Owners in accordance with the terms and provisions of this Agreement, the Bond Resolution, and the Bonds, the principal of, redemption premium (if any), and interest on all or any of the Bonds.

The District hereby appoints the County as Registrar with respect to the Bonds. As Registrar, the County shall keep and maintain for and on behalf of the District books and records as to the ownership of the Bonds and with respect to the transfer and exchange thereof as provided herein and in the Bond Resolution.

The County hereby accepts its appointment, and agrees to act as Paying Agent and Registrar.

Section 2.02. Compensation.

As compensation for the County's services as Paying Agent and Registrar, the District hereby agrees to pay the County the fees and amounts set forth in Exhibit A.

In addition, the District agrees to reimburse the County, upon its request, for all reasonable and necessary out-of-pocket expenses, disbursements, and advances, including without limitation the reasonable fees, expenses, and disbursements of its agents and attorneys made or incurred by the County in connection with entering into and performing under this Agreement, and in connection with investigating and defending itself against any claim or liability in connection with its performance hereunder.

ARTICLE THREE

PAYING AGENT

Section 3.01. Duties of Paying Agent.

As Paying Agent, the County, provided sufficient collected funds have been provided to it for such purpose by or on behalf of the District, shall pay on behalf of the District the principal of, redemption premium (if any), and interest on each Bond in accordance with the provisions of the Bond Resolution and the Bonds.

As long as DTC is the registered owner of the Bonds and DTC's book-entry method is used for the Bonds, the Paying Agent will send any notice of redemption or other notices to owners only to DTC.

Section 3.02. Payment Dates.

The District hereby instructs the County to pay the principal of, redemption premium (if any), and interest on the Bonds on the dates specified in the Bonds.

ARTICLE FOUR

REGISTRAR

Section 4.01. Initial Delivery of Bonds.

The Bonds will be initially authenticated, registered and delivered through DTC's book-entry system to or upon the order of the purchaser designated by the District as one Bond for each maturity. If the Bonds are not issued through DTC's book-entry system and if such purchaser delivers a written request to the County not later than five business days prior to the date of initial delivery, the County will, on the date of initial delivery, deliver Bonds of authorized denominations, registered in accordance with the instructions in such written request.

Section 4.02. Duties of Registrar.

The County shall provide for the proper registration of transfer, exchange and replacement of the Bonds. Every Bond surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature of which has been guaranteed by an eligible guarantor institution, in a form acceptable to the County, duly executed by the Registered Owner thereof or his or her attorney duly authorized in writing. The Registrar may request any supporting documentation it deems necessary or appropriate to effect a re-registration.

Any Bond may be exchanged for Bonds of the same series of like tenor, maturity and principal amount upon presentation and surrender at the principal office of the Paying Agent together with a request for exchange signed by the owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent.

Section 4.03. Unauthenticated Bonds.

If the Bonds are not DTC book-entry bonds, the District shall provide to the County on a continuing basis, an adequate inventory of unauthenticated Bonds to facilitate transfers. The County agrees that it will maintain such unauthenticated Bonds in safekeeping.

Section 4.04. Form of Bond Register.

The County as Registrar will maintain its records as Bond Registrar in accordance with the County's general practices and procedures in effect from time to time. The County as Paying Agent will keep or cause to be kept at its principal office sufficient books for the registration and transfer of the Bonds, which upon reasonable notice shall be open to inspection by the District.

Section 4.05. Reports.

The District may request the information in the Bond Register at any time the County is customarily open for business, provided that reasonable time is allowed for the County to provide an up-to-date listing and to convert the information into written form.

The County will not release or disclose the content of the Bond Register to any person other than to the District at its written request, except upon receipt of a subpoena or court order or as may otherwise be required by law. Upon receipt of a subpoena or court order the County will notify the District.

Section 4.06. Cancelled Bonds.

All Bonds surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the County, shall be promptly cancelled by it and, if surrendered to the District, shall be delivered to the County and, if not already cancelled, shall be promptly cancelled by the County. The District may at any time deliver to the County for cancellation any Bonds previously authenticated and delivered which the District may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly cancelled by the County. All cancelled Bonds shall be held by the County for its retention period then in effect and shall thereafter be destroyed and evidence of such destruction furnished to the District upon its written request.

ARTICLE FIVE

THE COUNTY

Section 5.01. Duties of County.

The County undertakes to perform the duties set forth herein. No implied duties or obligations shall be read into this Agreement against the County. The County hereby agrees to use the funds deposited with it for payment of the principal of, redemption premium (if any), and interest on the Bonds to pay the same as it shall become due and further agrees to establish and maintain such accounts and funds as may be required for the County to function as Paying Agent.

Section 5.02. Reliance on Documents, Etc.

The County may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the County by the District.

No provision of this Agreement shall require the County 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.

The County 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 County need not examine the ownership of any Bond, but shall be 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 Registered Owner or agent of the Registered Owner.

The County has no responsibility or liability for any aspects of the records relating to or payments made on account of beneficial ownership, or for maintaining, supervising or reviewing any records relating to beneficial ownership or interest on the Bonds.

The County may consult with counsel, and the written advice or 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.

The County may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys and shall not be liable for the actions of such agent or attorney if appointed by it with reasonable care.

Section 5.03. Recitals of District.

The recitals contained in the Bond Resolution and the Bonds shall be taken as the statements of the District, and the County assumes no responsibility for their correctness.

Section 5.04. May Own Bonds.

The County, 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 and Registrar for the Bonds.

Section 5.05. Money Held by County.

Money held by the County hereunder need not be segregated from other funds. Money held hereunder will be deposited in the District's interest and sinking fund and building fund and invested in the County investment pool and invested by the County Treasurer pursuant to its duties as Treasurer and pursuant to the Investment Management Agreement, incorporated herein, prior to the principal and interest payment dates of the Bonds and the District is entitled to receive interest earnings on such funds.

Any money deposited with or otherwise held by the County for the payment of the principal of, redemption premium (if any), or interest on any Bond and remaining unclaimed for one year after such deposit will be paid by the County to the District, and the District and the County agree that the Registered Owner of such Bond shall thereafter look only to the District for payment thereof, and that all liability of the County with respect to such moneys shall thereupon cease.

Section 5.06. Other Transactions.

The County may engage in or be interested in any financial or other transaction with the District.

Section 5.07. Interpleader.

The District and the County agree that the County 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 District and the County further agree that the County 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 5.08. Indemnification.

The District shall indemnify the County, its officers, directors, employees and agents (“Indemnified Parties”) for, and hold them harmless against any loss, cost, claim, liability or expense arising out of or in connection with the County’s acceptance or administration of the County’s duties hereunder or under the Bond Resolution (except any loss, liability or expense as may be adjudged by a court of competent jurisdiction to be attributable to the County’s negligence or willful misconduct), including the cost and expense (including its counsel fees) of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement. Such indemnity shall survive the termination or discharge of this Agreement or discharge of the Bonds.

ARTICLE SIX

MISCELLANEOUS PROVISIONS

Section 6.01. Amendment.

This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

Section 6.02. Assignment.

This Agreement may not be assigned by either party without the prior written consent of the other party.

Section 6.03. Notices.

Any request, demand, authorization, direction, notice, consent, waiver or other document provided or permitted hereby to be given or furnished to the District or the County shall be mailed or delivered to the District or the County, respectively, at the address shown herein, or such other address as may have been given by one party to the other by fifteen (15) days written notice.

Section 6.04. Effect of Headings.

The Article and Section headings herein are for convenience of reference only and shall not affect the construction hereof.

Section 6.05. Successors and Assigns.

All covenants and agreements herein by the District and the County shall bind their successors and assigns, whether so expressed or not.

Section 6.06. Severability.

If any provision of this Agreement shall be determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

Section 6.07. Benefits of Agreement.

Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy or claim hereunder.

Section 6.08. Entire Agreement.

This Agreement and the terms of the Bonds set forth in the Bonds and the Bond Resolution constitute the entire agreement between the parties hereto relative to the County acting as Paying Agent and Registrar.

Section 6.09. Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 6.10. Term and Termination.

This Agreement shall be effective from and until the final payment of principal of and interest on the Bonds or until the County resigns; whichever occurs first. The County may resign at any time and be discharged of its duties and obligations by giving written notice thereof to the District. If the County resigns, prior to the effective date of the resignation, the County shall appoint a successor Paying Agent and Registrar. A successor Paying Agent shall be appointed by the County Treasurer. In the event of resignation of the County as Paying Agent and Registrar, upon receipt of moneys representing the principal and interest on the Bonds, the successor Paying Agent shall be responsible for the actual payment to the bondholders and cancellation of any bonds or coupons. The provisions of Section 5.08 hereof shall survive and remain in full force and effect following the termination of this Agreement.

Section 6.11. Governing Law.

This Agreement shall be construed in accordance with and shall be governed by the laws of the State of California.

Section 6.12. Documents to be Filed with County.

At the time of the County's appointment as Paying Agent and Registrar, the District shall file with the County the following documents: (a) certified copies of the Bond Resolution and specimen Bonds; (b) a copy of the opinion of bond counsel provided to the District in connection with the issuance of the Bonds; (c) a District Request containing written instructions to the County with respect to the issuance and delivery of the Bonds, including the name of the Registered Owners and the denominations of the Bonds; (d) a Closing Memorandum Addendum, to be reviewed by bond counsel, providing instructions to the County for the deposit of all bond proceeds; and (e) within 90 days of the date hereof, a transcript of proceedings prepared for the Bonds.

IN WITNESS WHEREOF, the District has caused this Paying Agent Agreement to be signed in its name by its representative thereunto duly authorized, and the County has caused this Paying Agent Agreement to be signed in its name by its officer thereunto duly authorized, all as of the day and year first above written.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

By: _____
Authorized District Representative

COUNTY OF SAN DIEGO, OFFICE OF THE TREASURER-TAX COLLECTOR OF THE COUNTY OF SAN DIEGO, CALIFORNIA, as Paying Agent

By: _____
Treasurer-Tax Collector or Designee

APPROVED AS TO FORM:

By: _____
Chief Deputy County Counsel

EXHIBIT A
PAYING AGENT FEE SCHEDULE

Service Type	Fee	Frequency
Fee for each bond series	\$1,500	At closing and annually
Fee for each additional subseries	\$500	At closing and annually

Note: The District is responsible for any extraordinary costs associated with paying agent activities as provided in Section 2.02. The District will be notified of any extraordinary costs.

Form of
Investment Management Agreement

OH&S Draft: 04/12/2021 (District Agenda)



TREASURER-TAX COLLECTOR SAN DIEGO COUNTY

www.sdttc.com

Dan McAllister
Treasurer-Tax Collector



INVESTMENT MANAGEMENT AGREEMENT PROVIDING FOR INVESTMENT OF BOND PROCEEDS IN THE SAN DIEGO COUNTY TREASURER'S POOLED INVESTMENT FUND

THIS INVESTMENT MANAGEMENT AGREEMENT (the "Agreement") IS ENTERED INTO AS OF JUNE 1, 2021, BY AND BETWEEN THE SAN DIEGUITO UNION HIGH SCHOOL DISTRICT (the "District") AND THE SAN DIEGO COUNTY TREASURER-TAX COLLECTOR (the "Treasurer").

RECITALS

- A. The District is a local public agency within the County of San Diego that is authorized by law to deposit funds to be managed and invested by the Treasurer.
- B. The District is authorized to deposit and the Treasurer has agreed to accept a deposit of the District's Bond Proceeds in the San Diego County Treasurer's Pooled Investment Fund (the "Pool"), which contains County funds and money deposited by other local public agencies.
- C. The Pool is a permitted investment in the District's bond documents.
- D. The District has been provided with a copy of the Treasurer's Investment Policy for the Pool ("Policy") adopted pursuant to Government Code Section 27133, and the District has reviewed the policy prior to entering into this Agreement. The Policy is subject to annual revision.

IN VIEW OF THE ABOVE RECITALS, THE PARTIES AGREE AS FOLLOWS:

1. Deposit of Funds. Except as provided by law, the District shall deposit the proceeds of any bond transaction with the Treasurer to be managed and invested as part of the Pool. The District will provide the Treasurer with written documentation of its governing body's approval of the deposits. Any initial deposit and subsequent addition of bond proceeds shall be referred to as "Bond Proceeds."

2. Investment of Funds. The Treasurer will manage and invest deposited Bond Proceeds in accordance with the Policy including any amendments or revisions to the Policy. Any funds invested outside the County Investment Pool are the sole responsibility of the District. The Treasurer takes no responsibility for investments outside of the Pool, including the selection, on-going management and accounting of such funds.

3. Annual Review of Policy. The District acknowledges that the Treasurer reviews the Policy and submits the Policy to the County Oversight Committee and the Board of Supervisors for their reviews and approvals annually. The current Policy is posted at <http://www.sdttc.com/content/dam/ttc/docs/investmentpolicy.pdf>.

4. Non-Liability for Investment Results. The District understands and agrees that as long as the Treasurer invests, in good faith, the Bond Proceeds in accordance with the current Policy, neither the Treasurer nor the County of San Diego shall be responsible or liable for any investment losses suffered by the District or for any underperformance of the funds deposited.

5. Term of Agreement. The term of this Agreement commences on the date set forth above and terminates when the District has withdrawn all Bond Proceeds from the Pool.

6. Reports. The District shall provide the Treasurer with cash flow reports on a quarterly basis indicating projected contributions to and withdrawals from the Pool. The Treasurer shall provide the District with monthly reports covering the performance of the pool, which will be found at <http://www.sdttc.com/content/ttc/en/treasury/financial-reports.html>.

7. Disputes. The Parties agree to attempt to resolve any disputes under this Agreement by informal means and, if necessary, by mediation. Should mediation fail to resolve the dispute, either party may pursue its legal remedies.

8. Contacts for Responsibility. This Agreement shall be administered on behalf of the Treasurer by Lauren Warrem, Chief Deputy Treasurer, and on behalf of the District by the Associate Superintendent, Business Services. Either party, by written notice to the other, may change the person responsible for administering this Agreement.

9. Notices. Any notices provided for in this Agreement shall be delivered personally or by United States mail, as follows:

Treasurer: Lauren Warrem, Chief Deputy Treasurer
County of San Diego
1600 Pacific Hwy., Room 152
San Diego, California 92101

District: Tina M. Douglas
Associate Superintendent, Business Services
San Dieguito Union High School District
710 Encinitas Boulevard
Encinitas, California 92024

Either party, by written notice to the other, may change the name and/or address to which written notices must be delivered.

10. Entire Agreement. This Agreement constitutes the entire agreement of the Parties with regard to investment of Bond Proceeds and supersedes any previous oral or written agreements. This Agreement may be amended only by written amendment executed by both Parties.

SAN DIEGO COUNTY TREASURER-TAX
COLLECTOR

By: _____
Authorized Officer

SAN DIEGUITO UNION HIGH SCHOOL
DISTRICT

By: _____
Tina M. Douglas
Associate Superintendent, Business Services

Form of
OFFICIAL STATEMENT

(Preliminary)

Includes as Appendix D the form of
Continuing Disclosure Certificate

PRELIMINARY OFFICIAL STATEMENT DATED MAY __, 2021

ITEM 10d

NEW ISSUE -- FULL BOOK-ENTRYRATINGS: Moody's: "___"; S&P: "___"
See "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 alternative minimum tax. Bond Counsel is also of the opinion that interest on the Tax-Exempt Bonds and the Taxable 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 Tax-Exempt Bonds and the Taxable Bonds. See "TAX MATTERS."



\$ _____*

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
(COUNTY OF SAN DIEGO, CALIFORNIA)
2021 GENERAL OBLIGATION BONDS
(ELECTION OF 2012)
SERIES E-1 (FEDERALLY TAXABLE)

\$ _____*

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
(COUNTY OF SAN DIEGO, CALIFORNIA)
2021 GENERAL OBLIGATION
REFUNDING BONDS
(FEDERALLY TAXABLE)

\$ _____*

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
(COUNTY OF SAN DIEGO, CALIFORNIA)
2021 GENERAL OBLIGATION BONDS
(ELECTION OF 2012)
SERIES E-2 (TAX EXEMPT)

Dated: Date of Delivery**Due: August 1, as shown on inside front cover**

This cover page contains information for quick reference only. It is not a summary of this issue. Investors must read the entire official statement to obtain information essential to the making of an informed investment decision. Capitalized terms used in this cover page and not otherwise defined shall have the meanings set forth herein.

The above-captioned San Dieguito Union High School District (County of San Diego, California) 2021 General Obligation Refunding Bonds (Federally Taxable) (the "Refunding Bonds"), San Dieguito Union High School District (County of San Diego, California) 2021 General Obligation Bonds (Election of 2012) Series E-1 (Federally Taxable) (the "Series E-1 Bonds") and San Dieguito Union High School District (County of San Diego, California) 2021 General Obligation Bonds (Election of 2012) Series E-2 (Tax-Exempt) (the "Series E-2 Bonds" or the "Tax-Exempt Bonds" and collectively with the Refunding Bonds and the Series E-1 Bonds, the "Bonds") are being issued by the San Dieguito Union High School District (the "District"). The Bonds represent general obligations of the District, payable solely from *ad valorem* property taxes. The Board of Supervisors of the County is empowered and obligated to annually levy *ad valorem* taxes for the payment of the principal of and interest on the Bonds upon all property subject to taxation by the District without limitation of rate or amount (except as to certain personal property which is taxable at limited rates).

The Refunding Bonds are being issued by the District for the purpose of providing funds (i) to refund and defease [all or a portion] of the District's outstanding 2015 General Obligation Bonds (Election of 2012), Series B-2 (Tax-Exempt) (such refunded portion, the "Prior Bonds") and (ii) to pay costs of issuance of the Refunding Bonds. The Series E-1 Bonds and Series E-2 Bonds are being issued by the District for the purpose of providing funds (i) to finance specific construction, acquisition and modernization projects approved by the voters, and (ii) to pay costs of issuance of the Series E-1 Bonds. The Refunding Bonds are issued pursuant to provisions of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, a resolution adopted by the Board of Trustees of the District on April 22, 2021, and a Paying Agent Agreement pertaining to the Refunding Bonds, dated as of June 1, 2021, by and between the District and the Treasurer-Tax Collector of the County, as paying agent thereunder (the "Paying Agent"). The Series E-1 Bonds and the Series E-2 Bonds (collectively, the "Series E Bonds") are issued pursuant to provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53506 et seq., Chapter 1 of Part 10 of Division 1 of Title 1 of the California Education Code, commencing with Section 15100 et seq., the Proposition AA Authorization (as defined herein), a resolution adopted by the Board of Trustees of the District on April 22, 2021, and a Paying Agent Agreement pertaining to the Series E-1 Bonds and the Series E-2 Bonds, dated as of June 1, 2021, by and between the District and the Paying Agent.

The Bonds will be initially issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (collectively referred to herein as "DTC"). Purchasers of the Bonds (the "Beneficial Owners") will not receive physical certificates representing their interests in the Bonds.

The Bonds will be issued as current interest bonds. Interest with respect to the Bonds accrues from the date of delivery of the Bonds and is payable semiannually on February 1 and August 1 of each year, commencing August 1, 2021 with respect to the Refunding Bonds, and February 1, 2022, with respect to the Series E Bonds. The Bonds are issuable as fully registered Bonds in denominations of \$5,000 principal amount or any integral multiple thereof.

Payments of principal of and interest on the Bonds will be made by the Paying Agent to DTC for subsequent disbursement to DTC Participants (defined herein) who will remit such payments to the Beneficial Owners of the Bonds. See "THE BONDS – General Provisions" and "APPENDIX F – BOOK-ENTRY ONLY SYSTEM."

The Bonds are subject to optional and mandatory sinking fund redemption prior to maturity, as described herein.*

MATURITY SCHEDULES*
(see inside front cover)

The Bonds are offered when, as and if issued, and received by the Underwriter subject to the approval as to their 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 Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, Disclosure Counsel to the District. Certain legal matters will be passed upon for the Underwriter by [Underwriter's Counsel]. Fieldman Rolapp & Associates, Inc. is serving as Municipal Advisor to the District in connection with the issuance of the Bonds. The Bonds, in book-entry form, will be available for delivery through the facilities of The Depository Trust Company on or about June __, 2021.

Piper Sandler & Co.

The date of this Official Statement is May __, 2021.

* Preliminary, subject to change.

MATURITY SCHEDULES*

\$ _____*
SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
(COUNTY OF SAN DIEGO, CALIFORNIA)
2021 GENERAL OBLIGATION REFUNDING BONDS
(FEDERALLY TAXABLE)

Base CUSIP†: _____

\$ _____ **Serial Bonds**

<u>Maturity (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP†</u>
2021				
2022				
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				
2037				
2038				
2039				
2040				

\$ _____ % **Term Bonds due August 1, 20__** - Yield _____%‡ - CUSIP†: _____

* Preliminary, subject to change.

† CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Capital IQ on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for CUSIP Services. Neither the Underwriter nor the District is responsible for the selection or correctness of the CUSIP numbers set forth herein.

‡ Yield to call at par on August 1, 20__.

\$ _____ *

**SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
(COUNTY OF SAN DIEGO, CALIFORNIA)
2021 GENERAL OBLIGATION BONDS
(ELECTION OF 2012) SERIES E-1
(FEDERALLY TAXABLE)**

Base CUSIP†: _____

\$ _____ Serial Bonds

<u>Maturity</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP</u> †
2022				
2023				

\$ _____ % Term Bonds due August 1, 20__ - Yield ____ %‡ - CUSIP†: ____

* Preliminary, subject to change.

† CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Capital IQ on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for CUSIP Services. Neither the Underwriter nor the District is responsible for the selection or correctness of the CUSIP numbers set forth herein.

‡ Yield to call at par on August 1, 20__.

\$ _____ *

**SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
(COUNTY OF SAN DIEGO, CALIFORNIA)
2021 GENERAL OBLIGATION BONDS
(ELECTION OF 2012) SERIES E-2
(TAX EXEMPT)**

Base CUSIP†: _____

\$ _____ Serial Bonds

<u>Maturity (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP†</u>
2022				
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				
2037				
2038				
2039				
2040				
2041				
2042				
2043				

\$ _____ % Term Bonds due August 1, 20__ - Yield ____%‡ - CUSIP†: ____

* Preliminary, subject to change.

† CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Capital IQ on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for CUSIP Services. Neither the Underwriter nor the District is responsible for the selection or correctness of the CUSIP numbers set forth herein.

‡ Yield to call at par on August 1, 20__.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

BOARD OF TRUSTEES

Maureen “Mo” Muir
President

Melisse Mossy
Vice President

Katrina Young
Clerk

Michael Allman
Trustee

DISTRICT ADMINISTRATION

Robert A. Haley, Ed.D.
Superintendent

Tina M. Douglas
*Associate Superintendent,
Business Services*

John Addleman
*Executive Director,
Planning Services*

PAYING AGENT

Dan McAllister
Treasurer-Tax Collector

MUNICIPAL ADVISOR

Fieldman, Rolapp & Associates, Inc.
Irvine, California

BOND COUNSEL

Orrick, Herrington & Sutcliffe LLP
San Francisco, California

DISCLOSURE COUNSEL

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

ESCROW AGENT

U.S. Bank National Association
Los Angeles, California

VERIFICATION AGENT

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

DISTRICT COUNSEL

Laura D. Romano, Attorney at Law
Julian, California

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This Official Statement does not constitute an offering of any security other than the original offering of the Bonds of 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 issuance and sale of the Bonds have not been registered under the Securities Act of 1933 or the Securities Exchange Act of 1934, both as amended, in reliance upon exemptions provided thereunder by Sections 3(a)2 and 3(a)12, respectively, for the issuance and sale of such municipal securities. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy 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.

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

When used in this Official Statement and in any continuing disclosure by the District in any press release and in any oral statement made with the approval of an authorized officer of the District or any other entity described or referenced in this Official Statement, the words or phrases “will likely result,” “are expected to,” “will continue,” “is anticipated,” “estimate,” “project,” “forecast,” “expect,” “intend” and similar expressions identify “forward looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material.

Piper Sandler & Co. (the “Underwriter”) has provided the following sentence for inclusion in this Official Statement:

“The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or the completeness of such information.”

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

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

\$ _____*

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
(COUNTY OF SAN DIEGO, CALIFORNIA)
2021 GENERAL OBLIGATION
REFUNDING BONDS
(FEDERALLY TAXABLE)

\$ _____*

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
(COUNTY OF SAN DIEGO, CALIFORNIA)
2021 GENERAL OBLIGATION BONDS
(ELECTION OF 2012)
SERIES E-1 (FEDERALLY TAXABLE)

\$ _____*

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
(COUNTY OF SAN DIEGO, CALIFORNIA)
2021 GENERAL OBLIGATION BONDS
(ELECTION OF 2012)
SERIES E-2 (TAX EXEMPT)

INTRODUCTION

This Official Statement, which includes the cover page, inside cover page, and appendices hereto, provides information in connection with the sale of the above-captioned San Dieguito Union High School District (County of San Diego, California) 2021 General Obligation Refunding Bonds (Federally Taxable), in the principal amount of \$ _____* (the “Refunding Bonds”), San Dieguito Union High School District (County of San Diego, California) 2021 General Obligation Bonds (Election of 2012) Series E-1 (Federally Taxable), in the principal amount of \$ _____ (the “Series E-1 Bonds”) and San Dieguito Union High School District (County of San Diego, California) 2021 General Obligation Bonds (Election of 2012) Series E-2 (Tax-Exempt), in the principal amount of \$ _____ (the “Series E-2 Bonds” or the “Tax-Exempt Bonds,” and, collectively with the “Refunding Bonds and the Series E-1 Bonds, the “Bonds”). The Refunding Bonds and the Series E-1 Bonds are referred to herein collectively as the “Taxable Bonds;” while the Series E-1 Bonds and the Series E-2 Bonds are referred to herein collectively as the “Series E Bonds”).

This Introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement, including the cover page, inside 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 Bonds to potential investors is made only by means of the entire Official Statement.

The District

The San Dieguito Union High School District (the “District”) consists of approximately 85 square miles of territory in the northern portion of the County of San Diego (the “County”), California (the “State”). The District educates students from five feeder elementary school districts: Encinitas, Cardiff, Solana Beach, Del Mar and Rancho Santa Fe. The District operates five comprehensive middle schools for grades seven through eight, and four comprehensive high schools for grades nine through twelve. The District also offers a continuation high school with an alternative education program for grades nine through twelve. Enrollment in the District for grades seven through twelve was 13,177 students in the 2019-20 school year, and is ____ students in the 2020-21 school year. For more detailed information regarding the area served by the District, the student population of the District, and the financial position of the District, see “APPENDIX A – DISTRICT FINANCIAL AND OPERATING INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION” and “APPENDIX B – AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2020.”

* Preliminary, subject to change.

The District is governed by a five-member Board of Trustees (the “Board”), each member of which is elected to a four-year term. Elections for positions to the Board are held every two years, alternating between two and three available positions. The day-to-day affairs of the District are the responsibility of a board-appointed Superintendent of Schools. The current Superintendent of Schools, Robert A. Haley, Ed.D., has served in that capacity since November 1, 2018. See “APPENDIX A – DISTRICT FINANCIAL AND OPERATING INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – District General Information – Administration.”

On March 13, 2020, in consultation with San Diego Health and Human Services Agency, the District ordered all schools to close in order to curb the potential spread of the novel coronavirus known as COVID-19. In accordance with such orders, the District closed school buildings and implemented distance learning operations through the end of the 2019-20 school year. The District opened the 2020-21 school year in an all distance learning environment. Effective March 16, 2021, the District began offering all students the opportunity to attend school for in-person instruction one day per week. On March 22, 2021, the District began offering all students the opportunity to attend school for in-person instruction two days per week. For additional information and details regarding resumption of in-person instruction, see “APPENDIX A – DISTRICT FINANCIAL AND OPERATING INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – DISTRICT FINANCIAL INFORMATION – Considerations Regarding COVID-19.” See also “TAX BASE FOR REPAYMENT OF THE BONDS – Assessed Valuations” regarding risks related to outbreaks of disease and other factors that may affect the assessed value of property within the District.

Authority for Issuance

Refunding Bonds. The Refunding Bonds are issued pursuant to provisions of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, a resolution adopted by the Board on April 22, 2021 (the “Refunding Bonds Resolution”), and a Paying Agent Agreement, dated as of June 1, 2021 (the “Refunding Bonds Paying Agent Agreement”), by and between the District and the Treasurer-Tax Collector of the County (the “Treasurer-Tax Collector”), as the initial paying agent thereunder for such Bonds. The Refunding Bonds Paying Agent Agreement is expected to be authorized by a resolution adopted on May 18, 2021, by the Board of Supervisors of the County.

Series E Bonds. The Series E Bonds are issued pursuant to provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53506 et seq., Chapter 1 of Part 10 of Division 1 of Title 1 of the California Education Code, commencing with Section 15100 et seq., the Proposition AA Authorization (defined below), a resolution adopted by the Board on April 22, 2021 (the “Series E Bonds Resolution” and, together with the Refunding Bonds Resolution, the “Resolutions”), and a Paying Agent Agreement, dated as of June 1, 2021 (the “Series E Paying Agent Agreement” and, together with the Refunding Bonds Paying Agent Agreement, the “Paying Agent Agreements”), by and between the District and the Treasurer-Tax Collector of the County as the initial paying agent thereunder for such Bonds. The Series E Paying Agent Agreement is expected to be authorized by a resolution adopted on May 18, 2021, by the Board of Supervisors of the County.

Proposition AA Authorization. Voters within the District approved \$449 million of general obligation bonds at an election held on November 6, 2012 (the “Proposition AA Authorization”). The stated purpose of the Proposition AA Authorization was to “provide safe, modern schools and prepare students for success in college and careers by repairing and upgrading outdated classrooms and schools, construction and upgrading school facilities, including classrooms, science labs, and libraries, improving safety and security, and supporting career training and math, science, and technology instruction with 21st Century instructional technology and facilities.” The District has heretofore issued approximately \$364 million of bonds under the Proposition AA Authorization. Prior to the issuance of the Series E Bonds

described herein, the District has authority remaining to issue approximately \$85 million of additional general obligation bonds pursuant to the Proposition AA Authorization. See “THE BONDS – Security and Sources of Payment.”

Pursuant to Section 15268 of the California Education Code, the District’s bonding capacity for general obligation bonds may not exceed 1.25% of taxable property value in the District as shown by the last equalized assessment of the County. The taxable property valuation in the District for Fiscal Year 2020-21 is approximately \$72.05 billion, which results in a total current bonding capacity of approximately \$900.7 million. See “TAX BASE FOR REPAYMENT OF THE BONDS – Assessed Valuations – Bonding Capacity.”

Independent Citizens’ Oversight Committee. Pursuant to Section 1(b)(3) of Article XIII A of the State Constitution, Chapters 1 and 1.5 of Part 10 of Division 1 of Title 1 of the California Education Code, as amended, and other applicable law (collectively, the “Act”), the District’s Board has appointed an independent citizens’ oversight committee (the “Oversight Committee”). The Oversight Committee, which must have no fewer than seven members, currently comprises nine members. The membership of the Oversight Committee includes: one member who is active in a business organization representing the business community located within the District, one member who is active in a senior citizens organization, one member who is in a bona fide taxpayers’ organization, one member who is a parent of a District student and is active in a parent-teacher organization, and one member who is a parent/guardian of a District student. Members of the Oversight Committee serve two year terms, with the term of each member currently expiring in April 2023, with no compensation. Members of the Oversight Committee meet quarterly to provide oversight of the District’s use of bond proceeds from the Proposition AA Authorization and report to the Board and public on their findings, including the use of funds in support of the projects included in the Proposition AA Authorization and not for unspecified projects, general operating expenses, or teacher salaries. The District’s outside auditor, Wilkinson Hadley King & Co. LLP, currently prepares the required bond audit regarding the expenditures of general obligation bond proceeds.

Security and Sources of Payment for the Bonds

The Bonds are general obligation bonds of the District payable solely from *ad valorem* property taxes levied and collected by the County on taxable property located within the boundaries of the District. The Board of Supervisors (the “Board of Supervisors”) of the County has the power and is obligated to annually levy *ad valorem* taxes for the payment of the Bonds and the interest thereon upon all property within the District subject to taxation by the District without limitation of rate or amount (except certain personal property which is taxable at limited rates). See “THE BONDS – Security and Sources of Payment.”

Statutory Lien

Pursuant to California Government Code Section 53515, the Bonds will be secured by a statutory lien on all revenues received pursuant to the levy and collection of *ad valorem* property taxes for the payment thereof. The lien automatically attaches, without further action or authorization by the Board, and is valid and binding from the time the Bonds are executed and delivered. The revenues received pursuant to the levy and collection of the *ad valorem* property tax will be immediately subject to the lien, and such lien will be enforceable against the District, its successor, transferees and creditors, and all other parties asserting rights therein, irrespective of whether such parties have notice of the lien and without the need for physical delivery, recordation, filing or further act.

This statutory lien, by its terms, secures not only the Bonds, but also any other bonds of the District issued after January 1, 2016 and payable, both as to principal and interest, from the proceeds of *ad valorem* taxes that may be levied pursuant to paragraphs (2) and (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution. The statutory lien provision does not specify the relative priority of obligations so secured or a method of allocation in the event that the revenues received pursuant to the levy and collection of such *ad valorem* taxes are insufficient to pay all amounts then due and owing that are secured by the statutory lien.

Purpose of Issue

Refunding Bonds. The proceeds from the sale of the Refunding Bonds will be used by the District (i) to defease and refund [all or a portion] of the District's outstanding San Dieguito Union High School District 2015 General Obligation Bonds (Election of 2012), Series B-2 (Tax-Exempt) (such refunded portion, the "Prior Bonds"), and (ii) to pay costs of issuance of the Refunding Bonds. See "PLAN OF FINANCE – Refunding Bonds" and "ESTIMATED SOURCES AND USES OF FUNDS."

Series E Bonds. The Series E Bonds are being issued by the District for the purpose of providing funds (i) to finance specific construction, acquisition and modernization projects approved by the voters, and (ii) to pay costs of issuance of the Series E Bonds. See "PLAN OF FINANCE – Series E Bonds" and "ESTIMATED SOURCES AND USES OF FUNDS."

Description of the Bonds

Form and Registration. The Bonds will be issued in fully registered form only (without coupons), initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), and will be available to actual purchasers of the Bonds (the "Beneficial Owners") in the denominations set forth on the inside cover page hereof, under the book-entry only system maintained by DTC, only through brokers and dealers who are or act through Direct Participants (as defined in Appendix F). See "APPENDIX F – BOOK-ENTRY ONLY SYSTEM" attached hereto. Beneficial Owners will not be entitled to receive physical delivery of the Bonds. See "THE BONDS – General Provisions." In the event that the book-entry only system described below is no longer used with respect to the Bonds, the Bonds will be registered in accordance with the Resolutions and the Paying Agent Agreements described herein. See "THE BONDS."

Paying Agent. The Treasurer-Tax Collector will act as the initial registrar, transfer agent, authentication agent and paying agent for the Bonds (the "Paying Agent"). As long as DTC is the registered owner of the Bonds and DTC's book-entry method is used for the Bonds, the Paying Agent will send any notice of prepayment or other notices to owners only to DTC. The Paying Agent, the District, the County and the Underwriter of the Bonds have no responsibility or liability for any aspects of the records relating to or payments made on account of beneficial ownership, or for maintaining, supervising or reviewing any records relating to beneficial ownership, or interest in the Bonds.

Denominations. Individual purchases of interests in the Bonds will be available to purchasers of the Bonds in the denominations of \$5,000 principal amount or any integral multiple thereof.

Redemption.* The Refunding Bonds and the Series E-2 Bonds are subject to optional redemption and mandatory sinking fund redemption prior to maturity as described herein. The Series E-1 Bonds are not subject to redemption prior to maturity. See "THE BONDS – Redemption."

* Preliminary, subject to change.

Payments. Interest on the Bonds accrues from their initial Date of Delivery, and is payable semiannually on each February 1 and August 1 (each an “Interest Payment Date”), commencing August 1, 2021, with respect to the Refunding Bonds, and February 1, 2022, with respect to the Series E Bonds. Principal on the Bonds is payable on the dates and in the amounts as set forth on the inside cover page hereof.

Payments of the principal of and interest on the Bonds will be made by the Paying Agent, to DTC for subsequent disbursement through Direct Participants and Indirect Participants (as defined in Appendix F and, together with Direct Participants, “DTC Participants”) to the Beneficial Owners of the Bonds. See “THE BONDS – General Provisions” and “APPENDIX F – BOOK-ENTRY ONLY SYSTEM” attached hereto.

Tax Matters

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 alternative minimum tax. Bond Counsel is also of the opinion that interest on the Tax-Exempt Bonds and the Taxable 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 Tax-Exempt Bonds and the Taxable Bonds. See “TAX MATTERS.”

Offering and Delivery of the Bonds

The Bonds are offered when, as and if issued, subject to approval as to the validity by Bond Counsel. It is anticipated that the Bonds will be available for delivery through the facilities of DTC on or about June __, 2021.

Continuing Disclosure

The District will covenant for the benefit of bondholders to make available certain financial information and operating data relating to the District and to provide notices of the occurrence of certain enumerated events, in compliance with S.E.C. Rule 15c2-12(b)(5). The specific nature of the information to be made available and of the notices of events required to be provided are summarized in Appendix D. See “LEGAL MATTERS – Continuing Disclosure.”

Professionals Involved in the Offering

Orrick, Herrington & Sutcliffe LLP, San Francisco, California, is acting as Bond Counsel to the District with respect to the Bonds. Fieldman, Rolapp & Associates, Inc., Irvine, California, will act as municipal advisor to the District in connection with the Bonds (the “Municipal Advisor”). Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, is serving as Disclosure Counsel to the District in connection with the Bonds. [Underwriter’s Counsel], is serving as Underwriter’s Counsel in connection with the sale and delivery of the Bonds. Causey, Demgen & Moore P.C. will serve as verification agent (the “Verification Agent”) with respect to the Prior Bonds.

Orrick, Herrington & Sutcliffe LLP, Stradling Yocca Carlson & Rauth, a Professional Corporation, [Underwriter's Counsel] and Fieldman, Rolapp & Associates, Inc. will receive compensation from the District contingent upon the sale and delivery of the Bonds.

Forward Looking Statements

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "project," "budget," "intend," or other similar words. Such forward-looking statements include, but are not limited to, certain statements contained in the information regarding the District herein.

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 the forward-looking statements set forth in this Official Statement.

Other Information

This Official Statement speaks only as of its date, and the information contained herein is subject to change. This Official Statement also contains brief descriptions of, among other things, the District, the Resolutions, the Paying Agent Agreements and certain matters relating to the security for the Bonds. Such descriptions and information do not purport to be comprehensive or definitive. All references herein to documents are qualified in their entirety by reference to such documents. Copies of such documents are available by request to the District's Executive Director, Planning Services, San Dieguito Union High School District, 684 Requeza Street, Encinitas, California 92024. The District may impose a fee for copying and shipping for any such documents.

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 herein and, if given or made, such other information or representations must not be relied upon as having been authorized by the District. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers of the Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact. The summaries and references to documents, statutes and constitutional provisions referred to herein do not purport to be comprehensive or definitive, and are qualified in their entireties by reference to each of such documents, statutes and constitutional provisions.

Certain information set forth herein, other than that provided by the District, has been obtained from official sources which are believed to be reliable but it is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the District. The information and expressions of opinions herein are subject to change without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there

has been no change in the affairs of the District since the date hereof. This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

Capitalized terms used but not otherwise defined herein shall have the meanings assigned to such terms in the Resolutions.

PLAN OF FINANCE

Refunding Bonds

The proceeds from the sale of the Refunding Bonds will be used by the District to refund certain maturities of the District's 2015 General Obligation Bonds (Election of 2012), Series B-2 (Tax-Exempt). The specific maturities of those bonds to be refunded (the "Prior Bonds") and the bonds to remain outstanding and unrefunded (the "Unrefunded Bonds") are listed in the following tables.

PRIOR BONDS* San Dieguito Union High School District

2015 General Obligation Bonds (Election of 2012), Series B-2 (Tax-Exempt)

<u>Maturity Date</u> <u>(August 1)</u>	<u>CUSIP</u> [†]	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Redemption Price</u> <u>(% of Par Amount)</u>
			August 1, 2025	100%

[A portion of the District's 2015 General Obligation Bonds (Election of 2012), Series B-2 (Tax-Exempt), as listed in the following table, are not being refunded from proceeds of the Bonds.]

UNREFUNDED BONDS* San Dieguito Union High School District

2015 General Obligation Bonds (Election of 2012), Series B-2 (Tax-Exempt)

<u>Maturity Date</u> <u>(August 1)</u>	<u>CUSIP</u> [†]	<u>Principal Amount</u>
---	---------------------------	-------------------------

The net proceeds from the sale of the Refunding Bonds shall be paid to U.S. Bank National Association, acting as escrow agent (the "Escrow Agent"), pursuant to an escrow agreement (the "Escrow Agreement") by and between the District and the Escrow Agent. The Escrow Agent will deposit such proceeds in the Escrow Fund (the "Escrow Fund") in an amount which, together with interest to accrue thereon, will be sufficient to enable the Escrow Agent to pay the redemption price of the Prior Bonds, on

* Preliminary, subject to change.

† CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Capital IQ on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for CUSIP Services. Neither the Underwriter nor the District is responsible for the selection or correctness of the CUSIP numbers set forth herein.

August 1, 2025, as well as the interest due on such Prior Bonds on and before such date. Amounts held in the Escrow Fund will be invested in certain Escrow Securities, as defined in the Escrow Agreement.

The sufficiency of the amounts on deposit in the Escrow Fund to pay the redemption prices of the Prior Bonds, and the accrued interest due on the Prior Bonds, on the above-referenced date, will be verified by Causey, Demgen & Moore P.C., Denver, Colorado (the “Verification Agent”). See “LEGAL MATTERS – Escrow Verification.” As a result of the deposit and application of funds so provided in the Escrow Agreement, and assuming the accuracy of the Verification Agent’s computations, the Prior Bonds will be defeased and the obligation of the County to levy *ad valorem* taxes for payment of the Prior Bonds will cease.

The accrued interest and surplus monies, if any, remaining after payment of the Prior Bonds in the Escrow Fund, when received by the District from the sale of the Refunding Bonds or following the redemption of the Prior Bonds, shall be kept separate and apart in the Interest and Sinking Fund (as defined herein) and used only for payment of principal of and interest on the Bonds. Any excess proceeds of the Refunding Bonds not needed for the authorized purposes for which the Refunding Bonds are being issued shall be transferred to the Interest and Sinking Fund and applied to the payment of principal of and interest on the Refunding Bonds.

Series E Bonds

A portion of the proceeds of the Series E Bonds will be applied to fund the costs of various components of the projects set forth under the Proposition AA Authorization to provide “safe, modern schools and prepare students for success in college and careers by repairing and upgrading outdated classrooms and schools, construction and upgrading school facilities, including classrooms, science labs, and libraries, improving safety and security, and supporting career training and math, science, and technology instruction with 21st Century instructional technology and facilities.”

The proceeds of the Series E-2 Bonds are expected to be used to finance specific construction, acquisition and modernization projects approved pursuant to the Proposition AA Authorization, including, but not limited to, modernization of classroom buildings at Diegueño Middle School and San Dieguito High School Academy, along with the construction of a new art classroom building complex at Torrey Pines High School, the replacement of aged portable classrooms with permanent classrooms at La Costa Canyon High School, and improvements to athletic facilities at Torrey Pines High School, San Dieguito High School Academy and La Costa Canyon High School.

The proceeds of the Series E-1 Bonds are expected to be used to finance the acquisition of certain equipment authorized pursuant to the Proposition AA Authorization and to pay certain of the District’s obligations with respect to the San Dieguito Public Facilities Authority Lease Revenue Bonds, Series 2010A (Qualified School Construction Bonds – Direct Subsidy).

The District, at its option, may elect to use the proceeds of the Series E Bonds to finance additional or other projects approved pursuant to the Proposition AA Authorization.

See “THE BONDS – Investment of Bond Proceeds” herein.

ESTIMATED SOURCES AND USES OF FUNDS**Refunding Bonds**

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

	<u>Proceeds of Refunding Bonds</u>
Sources of Funds	
Principal Amount of the Bonds	
[Net] Original Issue Premium	
Total Sources	
Uses of Funds	
Deposit to Escrow Fund	
Costs of Issuance ⁽¹⁾	
Total Uses	

⁽¹⁾ Includes fees of Bond Counsel and Disclosure Counsel, the Paying Agent, the Municipal Advisor, Underwriter's discount, Escrow Agent fees, Verification Agent fees, printing fees, demographics, rating agency fees, and certain other expenses related to the Refunding Bonds.

Series E Bonds

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

	<u>Series E-1 Bonds</u>	<u>Series E-2 Bonds</u>	<u>Total Series E Bonds</u>
Sources of Funds			
Principal Amount of the Bonds			
[Net] Original Issue Premium			
Total Sources			
Uses of Funds			
Deposit to Building Fund			
Deposit to Interest and Sinking Fund ⁽¹⁾			
Costs of Issuance ⁽²⁾			
Total Uses			

⁽¹⁾ Represents capitalized interest on the Series E Bonds.

⁽²⁾ Includes fees of Bond Counsel and Disclosure Counsel, the Paying Agent, the Municipal Advisor, Underwriter's discount, printing fees, demographics, rating agency fees, and certain other expenses related to the Series E Bonds.

THE BONDS**Security and Sources of Payment**

The Bonds are general obligations of the District, and payable solely from the proceeds of *ad valorem* property taxes. The Board of Supervisors of the County is empowered and obligated to annually levy *ad valorem* taxes for the payment of the principal of and interest on the Bonds upon all property within the District subject to taxation by the District without limitation as to rate or amount (except certain personal property which is taxable at limited rates). Such taxes, when collected, will be deposited

by the County into the interest and sinking fund for the Bonds (the “Interest and Sinking Fund”), which is segregated and held by the County and which is irrevocably pledged for the payment of principal of and interest on the Bonds when due. Although the County is obligated to levy an *ad valorem* tax for the payment of the Bonds, and the County will hold the Interest and Sinking Fund, the Bonds are not a debt of the County. See “TAX BASE FOR REPAYMENT OF THE BONDS.”

The monies in the Interest and Sinking Fund, to the extent necessary to pay the principal of and interest on the Bonds, as the same becomes due and payable, will be transferred by the Paying Agent to DTC to pay, as the case may be, the principal of and interest on the Bonds. DTC will thereupon make payment of principal and interest of such Bonds to the DTC Participants for subsequent disbursement to the Beneficial Owners of the Bonds.

The annual *ad valorem* tax rates levied by the County to repay the Bonds will be determined by the relationship between the assessed valuation of taxable property in the District and the amount of debt service due on the Bonds in any year. Fluctuations in the annual debt service on the Bonds and the assessed value of taxable property in the District may cause the annual tax rates to fluctuate. Economic and other factors beyond the District’s control, such as general market decline in land values, disruption in financial markets that may reduce the availability of financing for purchasers of property, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by the State and local agencies and property used for qualified education, hospital, charitable or religious purposes), or the complete or partial destruction of the taxable property caused by a natural or manmade disaster, such as earthquake, wildfire, flood or toxic contamination, could cause a reduction in the assessed value of taxable property within the District and necessitate a corresponding increase in the respective annual tax rates. For further information regarding the District’s assessed valuation, tax rates, overlapping debt, and other matters concerning taxation, see “TAX BASE FOR REPAYMENT OF THE BONDS” and “APPENDIX A – DISTRICT FINANCIAL AND OPERATING INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION.”

General Provisions

The Bonds will be dated the date of their delivery, and bear interest at the rates set forth on the preceding pages hereof, payable by check on February 1 and August 1 of each year (each, an “Interest Payment Date”), commencing August 1, 2021, with respect to the Refunding Bonds, and February 1, 2022, with respect to the Series E Bonds, until payment of the principal amount thereof, computed using a year of 360 days consisting of twelve 30-day months. Each Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless it is authenticated after the close of business on the 15th day of the calendar month immediately preceding an Interest Payment Date (each, a “Record Date”) and on or prior to the succeeding Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or unless it is authenticated on or before the Record Date preceding the first Interest Payment Date for such Bond, in which event it shall bear interest from its dated date; provided, however, that 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.

The principal of and interest on the Bonds shall be payable in lawful money of the United States of America to the Owner thereof, upon the surrender thereof at the principal corporate trust office of the Paying Agent. The money for the payment of principal of and interest on the Bonds shall be payable out of the Interest and Sinking Fund of the District. The Depository Trust Company is appointed depository for the Bonds and the Bonds shall be issued in book-entry form only, and shall be initially registered in the name of “Cede & Co.,” as nominee of DTC. 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 registered 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 on the date they are due. So long as the Bonds are held by Cede & Co., as nominee of DTC, payment will be made by wire transfer. See “APPENDIX F – BOOK-ENTRY ONLY SYSTEM.”

The Bonds will be issued in fully registered book-entry form only, as current interest bonds, in denominations of \$5,000 principal amount each or any integral multiple thereof. As long as DTC is the registered owner of the Bonds and DTC’s book-entry method is used for the Bonds, registered ownership of the Bonds may not be transferred except as described in Appendix F. Purchases of Bonds under the DTC system must be made by or through a DTC Participant, and ownership interests in 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 will not receive physical certificates representing their ownership interests. “APPENDIX F – BOOK-ENTRY ONLY SYSTEM.”

Redemption*

Optional Redemption. The Bonds maturing on or before August 1, 20__ are not subject to redemption prior to their respective stated maturity dates. The Bonds maturing on or after August 1, 20__, are subject to redemption prior to their stated maturity dates, at the option of the District, from any source of available funds, 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 called for redemption, together with interest accrued thereon to the date of redemption, without premium.

Mandatory Sinking Fund Redemption. The term Refunding Bonds maturing on August 1, 20__, are 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 <u>Redemption Date</u>	Principal Amount <u>to be Redeemed</u>
--	---

(1)

⁽¹⁾ Maturity.

Unless otherwise specified in writing by the District, 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 Refunding Bond optionally redeemed prior to the mandatory sinking fund redemption date.

The term Series E-2 Bonds maturing on August 1, 20__, are 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 <u>Redemption Date</u>	Principal Amount <u>to be Redeemed</u>
--	---

(1)

⁽¹⁾ Maturity.

Unless otherwise specified in writing by the District, 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 Series E-2 Bond optionally redeemed prior to the mandatory sinking fund redemption date.

Selection of Bonds for Redemption. If less than all of either the Refunding Bonds or the Series E Bonds are subject to such redemption and are called for redemption, such Bonds shall be redeemed in inverse order of maturities or as otherwise directed by the District, and if less than all of such 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.

Notice of Redemption. Notice of redemption of Bonds will be mailed postage prepaid not less than 20 nor more than 60 days prior to any redemption date (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.

Each notice of redemption shall state (i) the date of such notice; (ii) the name of the Bonds and the date of issue of the Bonds; (iii) the redemption date; (iv) the redemption price; (v) the series of Bonds and the dates of maturity or maturities of Bonds to be redeemed; (vi) if less than all of the Bonds of a series of any maturity are to be redeemed, the distinctive numbers of the Bonds of each maturity of such series to be redeemed; (vii) in the case of Bonds of a series redeemed in part only, the respective portions of the principal amount of the Bonds of each maturity of such series to be redeemed; (viii) the CUSIP number, if any, of each maturity of Bonds of a series to be redeemed; (ix) a statement that such Bonds must be surrendered by the Owners at the principal corporate trust office of the Paying Agent, or at such other place or places designated by the Paying Agent; (x) notice that further interest on such 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.

Effect of Notice of Redemption. When notice of redemption has been given substantially as described for in the applicable Resolution, and when the redemption price of the Bonds called for redemption is set aside for such purpose, the Bonds designated for redemption shall become due and payable on the specified redemption date and interest shall 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 shall 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 shall be entitled to payment thereof only from the Interest and Sinking Fund or the trust fund established for such purpose. All Bonds redeemed shall be cancelled by the Paying Agent and shall not be reissued.

A certificate of the Paying Agent that notice of redemption has been given to Owners as provided in the applicable Resolution shall be conclusive as against all parties. Neither the failure to receive the notice of redemption, nor any defect in such notice shall affect the sufficiency of the proceedings for the redemption of the Bonds or the cessation of interest on the date fixed for redemption.

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 shall 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 shall 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 shall not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice shall not affect the validity of the rescission.

Conditional Notice. Any notice of optional redemption delivered under the applicable Resolution may be conditioned on any fact or circumstance stated therein, and if such condition shall not have been satisfied on or prior to the redemption date stated in such notice, said notice shall be of no force and effect on and as of the stated redemption date, the redemption shall be cancelled, and the District shall not be required to redeem the Bonds that were the subject of the notice. The Paying Agent shall 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 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.

Defeasance of Bonds

If at any time the District shall pay or cause to be paid or there shall otherwise be paid to the Owners of any or all of the outstanding Refunding Bonds or Series E Bonds all or any part of the principal, interest and premium, if any, on such Bonds at the times and in the manner provided in the applicable Resolution and in such Bonds, or as described in the following paragraph, or as otherwise provided by law consistent with the applicable Resolution, then such Owners shall cease to be entitled to the obligation of the District, and such obligation and all agreements and covenants of the District and of the County to such Owners under the applicable Resolution and under the applicable 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 monies on deposit in the Interest and Sinking Fund or otherwise held in trust for such payment.

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

Investment of Bond Proceeds

A portion of the proceeds of sale of the Series E Bonds, exclusive of any premium received, will be deposited in the County treasury to the credit of the building fund of the District (the "Building Fund") created in accordance with the Series E Bonds Resolution. Any premium will be deposited upon receipt in the Interest and Sinking Fund of the District within the County treasury.

To the extent permitted by law, at the written request of the District, all or any portion of the Building Fund of the District may be invested on behalf of the District in the Local Agency Investment Fund in the treasury of the State and, in investment agreements, including guaranteed investment contracts, float contracts or other investment products (collectively, “Investment Agreements”), which comply with the requirements of each rating agency then rating the Bonds necessary in order to maintain the then-current rating on the Bonds. Any such Investment Agreement will be subject to the County’s investment policies.

All funds held by the Treasurer-Tax Collector with respect to the Bonds, including funds held in the Interest and Sinking Fund and the Building Fund will be invested at the Treasurer-Tax Collector’s discretion pursuant to law and the investment policy of the County. See “APPENDIX E – COUNTY OF SAN DIEGO INVESTMENT POOL.” County of San Diego Investment Pool general information and portfolio statistics can be found at <http://www.sdttc.com/content/ttc/en/treasury/financial-reports.html>.

Unclaimed Moneys

Any money held in any fund created pursuant to the Resolutions, or by the Paying Agent or an escrow 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 of the District for payment of any outstanding bonds of the District payable from the fund; or, if no such bonds of the District are at such time outstanding, the monies shall be transferred to the general fund of the District as provided and permitted by law.

DEBT SERVICE SCHEDULES**Refunding Bonds**

The following table summarizes the annual debt service requirements of the District with respect to the Refunding Bonds (assuming no optional redemptions are made):

<u>Period Ending August 1*</u>	<u>Annual Principal Payment</u>	<u>Annual Interest Payment⁽¹⁾</u>	<u>Total Annual Debt Service</u>
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
Totals			

* Preliminary, subject to change.

⁽¹⁾ Interest payments on the Bonds will be made semiannually on February 1 and August 1 of each year, commencing August 1, 2021.

Series E Bonds

The following table summarizes the annual debt service requirements of the District with respect to the Series E Bonds (assuming no optional redemptions are made):

<u>Period Ending August 1*</u>	Serie E-1 Bonds		Serie E-2 Bonds		<u>Total Annual Debt Service</u>
	<u>Annual Principal Payment</u>	<u>Annual Interest Payment⁽¹⁾</u>	<u>Annual Principal Payment</u>	<u>Annual Interest Payment⁽¹⁾</u>	
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					
2037					
2038					
2039					
2040					
2041					
2042					
2043					
Totals					

* Preliminary, subject to change.

⁽¹⁾ Interest payments on the Bonds will be made semiannually on February 1 and August 1 of each year, commencing February 1, 2022.

See “APPENDIX A – DISTRICT FINANCIAL AND OPERATING INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – DISTRICT FINANCIAL INFORMATION – District Debt Structure” for a schedule of the combined debt service requirements for all of the District’s outstanding general obligation bonds.

TAX BASE FOR REPAYMENT OF THE BONDS

The information in this section describes ad valorem property taxation, assessed valuation, and other measures of the tax base of the District. The Bonds are payable solely from ad valorem taxes levied and collected by the County on taxable property in the District. The District's general fund is not a source for the repayment of the Bonds.

Ad Valorem Property Taxation

Taxes are levied by the County for each fiscal year on taxable real and personal property which is situated in the District as of the preceding January 1. For assessment and collection purposes, 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 public utilities property and real property having a tax lien which is sufficient, in the opinion of the County Assessor, to secure payment of the taxes. Other property is assessed on the "unsecured roll."

Property taxes on the secured roll are due in two installments, on November 1 and February 1 of each fiscal year. If unpaid, such taxes become delinquent on December 10 and April 10, respectively, and a 10% penalty attaches to any delinquent payment. Property on the secured roll with respect to which taxes are delinquent becomes tax defaulted on or about June 30 of the fiscal year. Such property may thereafter be redeemed by payment of a penalty of 1.5% per month to the time of redemption, plus costs and a redemption fee. If taxes are unpaid for a period of five years or more, the property is subject to sale by the County Treasurer-Tax Collector.

Property taxes on the unsecured roll are due as of the January 1 lien date and become delinquent, if unpaid, on August 31. A 10% penalty attaches to delinquent unsecured taxes. If unsecured taxes are unpaid at 5:00 p.m. on October 31, an additional penalty of 1.5% attaches to them on the first day of each month until paid. The taxing authority has four ways of collecting delinquent unsecured personal property taxes: (1) bringing a civil action against the taxpayer; (2) filing a certificate in the office of the County Clerk specifying certain facts in order to obtain a lien on certain property of the taxpayer; (3) filing a certificate of delinquency for record in the County Clerk and County Recorder's office in order to obtain a lien on certain property of the taxpayer; and (4) seizing and selling personal property, improvements, or possessory interests belonging or assessed to the assessee.

Assessed Valuations

The assessed valuation of property in the District is established by the County Assessor, except for public utility property which is assessed by the State Board of Equalization. Assessed valuations are reported at 100% of the "full cash value" of the property, as defined in Article XIII A of the California Constitution ("Article XIII A"). For a discussion of how properties currently are assessed, refer to Appendix A under the heading "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING SCHOOL DISTRICT REVENUES AND APPROPRIATIONS." Certain classes of property, such as churches, colleges, not-for-profit hospitals, and charitable institutions, are exempt from property taxation and do not appear on the tax rolls.

Property within the District has a total assessed valuation for fiscal year 2020-21 of \$72,688,461,154. Shown in the following table are the assessed valuations for the District since fiscal year 2011-12. The District's assessed valuation increased by 38.7% between fiscal year 2011-12 and fiscal year 2020-21, representing an approximate annual compound growth rate of 4.3%.

ASSESSED VALUATION
Fiscal Years 2011-12 to 2020-21
San Dieguito Union High School District

Fiscal Year	Secured	Utility ⁽¹⁾	Unsecured	Total Assessed Valuation	Annual % Change
2011-12	47,530,327,546	--	456,603,803	47,986,931,349	--
2012-13	47,578,669,467	--	457,723,222	48,036,392,689	0.1%
2013-14	49,360,825,957	--	481,384,671	49,842,210,628	3.8
2014-15	52,199,264,399	--	499,872,872	52,699,137,271	5.7
2015-16	55,245,584,795	--	537,063,698	55,782,648,493	5.9
2016-17	58,275,864,498	--	520,598,953	58,796,463,451	5.4
2017-18	61,686,261,272	--	543,900,386	62,230,161,658	5.8
2018-19	65,493,391,044	--	547,218,850	66,040,609,894	6.1
2019-20	68,685,265,045	--	572,301,003	69,257,566,048	4.9
2020-21	72,056,550,998	--	631,910,156	72,688,461,154	1.0

⁽¹⁾ Excludes assessed valuation from unitary utility roll.

Source: California Municipal Statistics, Inc.

Economic and other factors beyond the District's control, such as general market decline in property values, disruption in financial markets that may reduce availability of financing for purchasers of property, outbreak of disease, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by the State and local agencies and property used for qualified education, hospital, charitable or religious purposes), or the complete or partial destruction of the taxable property caused by a natural or manmade disaster, such as earthquake, wildfire, flood or toxic contamination, could cause a reduction in the assessed value of taxable property within the District. Any such reduction would result in a corresponding increase in the annual tax rate levied by the County to pay the debt service with respect to the Bonds. For further information regarding the District's assessed valuation, tax rates, overlapping debt, and other matters concerning taxation, see APPENDIX A – DISTRICT FINANCIAL AND OPERATING INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING SCHOOL DISTRICT REVENUES AND APPROPRIATIONS – Article XIII A of the California Constitution.” For additional information regarding risks related to outbreaks of disease, see APPENDIX A – DISTRICT FINANCIAL AND OPERATING INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – DISTRICT FINANCIAL INFORMATION – Considerations Regarding COVID-19.”

Bonding Capacity. As a union high school district, the District may not issue bonds in excess of 1.25% of the assessed valuation of taxable property within its boundaries, as shown on the final assessment roll as of August 20 of each year. The District's gross bonding capacity is estimated at approximately \$900.7 million, and with approximately \$364 million in principal amount of general obligation bonds outstanding as of March 1, 2021, its net bonding capacity is approximately \$536 million, prior to the issuance of the Bonds.

Appeals and Reductions of Assessed Valuations

Under California law, property owners may apply for a reduction of their property tax assessment by filing a written application, in form prescribed by the State Board of Equalization, with the appropriate county board of equalization or assessment appeals board. County assessors may independently reduce assessed values as well based upon the above factors or reductions in the fair market value of the taxable property. In most cases, the appeal is filed because the applicant believes that present market conditions

(such as residential home prices) cause the property to be worth less than its current assessed value. Any reduction in the assessment ultimately granted as a result of such appeal applies to the year for which application is made and during which the written application was filed. Such reductions are subject to yearly reappraisals and may be adjusted back to their original values when market conditions improve. Once the property has regained its prior value, adjusted for inflation, it once again is subject to the annual inflationary factor growth rate allowed under Article XIII A. See APPENDIX A – DISTRICT FINANCIAL AND OPERATING INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING SCHOOL DISTRICT REVENUES AND APPROPRIATIONS – Article XIII A of the California Constitution.”

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

The District has not undertaken an analysis of current outstanding appeals or historic appeals by property owners or any extent of historic adjustments made by the County Assessor. No assurance can be given that property tax appeals in the future will not significantly reduce the assessed valuation of property within the District.

Assembly Bill 102. On June 27, 2017, the Governor signed into law Assembly Bill 102 (“AB 102”). AB 102 restructures the functions of the SBE and creates two new separate agencies: (i) the California Department of Tax and Fee Administration, and (ii) the Office of Tax Appeals. Under AB 102, the California Department of Tax and Fee Administration will take over programs previously in the SBE Property Tax Department, such as the Tax Area Services Section, which is responsible for maintaining all property tax-rate area maps and for maintaining special revenue district boundaries. Under AB 102, the SBE will continue to perform the duties assigned by the State Constitution related to property taxes, however, beginning January 1, 2018, the SBE will only hear appeals related to the programs that it constitutionally administers and the Office of Tax Appeals will hear appeals on all other taxes and fee matters, such as sales and use tax and other special taxes and fees. AB 102 obligates the Office of Tax Appeals to adopt regulations as necessary to carry out its duties, powers, and responsibilities. No assurances can be given as to the effect of such regulations on the appeals process or on the assessed valuation of property within the District.

Assessed Valuation and Parcels by Land Use

The following table is an analysis of the District's secured assessed valuation by land use.

ASSESSED VALUATION AND PARCELS BY LAND USE				
Fiscal Year 2020-21				
San Dieguito Union High School District				
	<u>2020-21</u> <u>Assessed Valuation⁽¹⁾</u>	<u>% of</u> <u>Total</u>	<u>No. of</u> <u>Parcels</u>	<u>% of</u> <u>Total</u>
<u>Non-Residential:</u>				
Agricultura/ Rural	\$109,096,278	0.15%	169	0.22%
Commercial	6,948,544,882	9.64	1,315	1.72
Vacant Commercial	117,531,200	0.16	117	0.15
Industrial	208,195,645	0.29	56	0.07
Vacant Industrial	15,639,746	0.02	21	0.03
Recreational	410,729,428	0.57	439	0.57
Government/Social/Institutional	<u>53,591,549</u>	<u>0.07</u>	<u>170</u>	<u>0.22</u>
Subtotal Non-Residential	\$7,863,328,728	10.91%	2,287	2.99%
<u>Residential:</u>				
Single Family Residence	\$50,764,091,298	70.45%	43,807	57.21%
Condominium/Townhouse	8,552,925,431	11.87	15,814	20.65
Timeshare	97,873,150	0.14	9,631	12.58
Mobile Home	50,713,200	0.07	309	0.40
Mobile Home Park	31,805,572	0.04	12	0.02
2-4 Residential Units	1,545,053,915	2.14	1,784	2.33
5+ Residential Units/Apartments	2,130,769,933	2.96	229	0.30
Miscellaneous Residential	31,754,785	0.04	777	1.01
Vacant Residential	<u>988,234,986</u>	<u>1.37</u>	<u>1,924</u>	<u>2.51</u>
Subtotal Residential	\$64,193,222,270	89.09%	74,287	97.01%
Total	\$72,056,550,998	100.00%	76,574	100.00%

⁽¹⁾ Local secured assessed valuation; excluding tax-exempt property.

Source: California Municipal Statistics, Inc.

Assessed Valuation Per Parcel of Single Family Homes

The following table is an analysis of the District's assessed valuation per parcel of single family homes for fiscal year 2020-21.

ASSESSED VALUATION PER PARCEL OF SINGLE FAMILY HOMES**Fiscal Year 2020-21****San Dieguito Union High School District**

	No. of <u>Parcels</u>	2020-21 <u>Assessed Valuation</u>	Average <u>Assessed Valuation</u>	Median <u>Assessed Valuation</u>		
Single Family Residential	43,807	\$50,764,091,298	\$1,158,812	\$925,954		
2020-21 <u>Assessed Valuation</u>	No. of <u>Parcels</u> ⁽¹⁾	% of <u>Total</u>	Cumulative <u>% of Total</u>	Total <u>Valuation</u>	% of <u>Total</u>	Cumulative <u>% of Total</u>
\$0 - \$99,999	955	2.180%	2.180%	\$69,815,540	0.138%	0.138%
\$100,000 - \$199,999	1,625	3.709	5.889	238,251,462	0.469	0.607
\$200,000 - \$299,999	1,950	4.451	10.341	496,028,503	0.977	1.584
\$300,000 - \$399,999	2,630	6.004	16.344	921,006,047	1.814	3.398
\$400,000 - \$499,999	2,527	5.768	22.113	1,135,915,270	2.238	5.636
\$500,000 - \$599,999	2,624	5.990	28.103	1,443,240,458	2.843	8.479
\$600,000 - \$699,999	2,547	5.814	33.917	1,657,605,457	3.265	11.744
\$700,000 - \$799,999	2,926	6.679	40.596	2,194,980,097	4.324	16.068
\$800,000 - \$899,999	3,289	7.508	48.104	2,793,556,448	5.503	21.571
\$900,000 - \$999,999	3,180	7.259	55.363	3,020,425,908	5.950	27.521
\$1,000,000 - \$1,099,999	2,763	6.307	61.671	2,892,386,081	5.698	33.219
\$1,100,000 - \$1,199,999	2,179	4.974	66.645	2,500,677,418	4.926	38.145
\$1,200,000 - \$1,299,999	1,943	4.435	71.080	2,424,242,222	4.776	42.920
\$1,300,000 - \$1,399,999	1,647	3.760	74.840	2,218,206,232	4.370	47.290
\$1,400,000 - \$1,499,999	1,510	3.447	78.287	2,185,213,669	4.305	51.595
\$1,500,000 - \$1,599,999	1,234	2.817	81.103	1,906,721,201	3.756	55.351
\$1,600,000 - \$1,699,999	935	2.134	83.238	1,538,411,925	3.031	58.381
\$1,700,000 - \$1,799,999	804	1.835	85.073	1,404,271,564	2.766	61.147
\$1,800,000 - \$1,899,999	710	1.621	86.694	1,310,860,720	2.582	63.730
\$1,900,000 - \$1,999,999	574	1.310	88.004	1,116,469,038	2.199	65.929
\$2,000,000 and greater	<u>5,255</u>	<u>11.996</u>	100.000	<u>17,295,806,038</u>	<u>34.071</u>	100.000
Total	43,807	100.000%		\$50,764,091,298	100.000%	

⁽¹⁾ Improved single family residential parcels. Excludes condominiums and parcels with multiple family units.

Source: California Municipal Statistics, Inc.

Assessed Valuation by Jurisdiction

The following table is an analysis of the District's assessed valuation by jurisdiction for fiscal year 2020-21.

ASSESSED VALUATION BY JURISDICTION⁽¹⁾**Fiscal Year 2020-21****San Dieguito Union High School District**

<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 Carlsbad	\$6,452,900,883	8.88%	\$36,906,318,830	17.48%
City of Del Mar	4,239,256,907	5.83	\$4,239,256,907	100.00%
City of Encinitas	18,084,459,057	24.88	\$18,084,459,057	100.00%
City of San Diego	24,906,436,280	34.26	\$278,960,852,905	8.93%
City of San Marcos	2,670,111	0.00	\$14,331,123,577	0.02%
City of Solana Beach	5,547,944,868	7.63	\$5,547,944,868	100.00%
Unincorporated San Diego County	<u>13,454,793,048</u>	<u>18.51</u>	\$81,125,695,760	16.59%
Total District	\$72,688,461,154	100.00%		
San Diego County	\$72,688,461,154	100.00%	\$585,657,954,957	12.41%

⁽¹⁾ Before deduction of redevelopment incremental valuation.

Source: *California Municipal Statistics, Inc.*

Taxation of State-Assessed Utility Property

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

Changes in the California electric utility industry structure and in the way in which components of the industry are regulated and owned, including the sale of electric generation assets to largely unregulated, nonutility companies, may affect how utility assets are assessed in the future, and which local agencies are to receive the property taxes. The District is unable to predict the impact of these changes on their utility property tax revenues, or whether legislation or litigation may affect ownership of utility assets or the State's methods of assessing utility property and the allocation of assessed value to local taxing agencies, including the District.

Secured Tax Charges

The following table shows the secured tax charges for taxes collected in the District by the County from fiscal year 2010-11 through fiscal year 2019-20 with respect to the tax levy within the District for general obligation bonds. Information regarding delinquency rates is not provided herein because the County utilizes the Teeter Plan (defined below) for assessment levy and distribution. See “– Alternative Method of Tax Apportionment” below.

SECURED TAX CHARGES
Fiscal Years 2010-11 through 2019-20
San Dieguito Union High School District

Fiscal Year	Secured Tax Charge ⁽¹⁾
2010-11	75,149,869.28
2011-12	75,585,161.31
2012-13	76,400,023.61
2013-14	79,335,607.79
2014-15	83,850,485.85
2015-16	88,905,300.35
2016-17	93,924,523.18
2017-18	99,213,650.53
2018-19	105,189,950.98
2019-20	110,384,573.04

⁽¹⁾ 1% General Fund apportionment.

Source: California Municipal Statistics, Inc.

Alternative Method of Tax Apportionment

The Board of Supervisors of the County has approved the implementation of the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the “Teeter Plan”), as provided for in Section 4701 *et seq.* of the California Revenue and Taxation Code. Under the Teeter Plan, the County apportions secured property taxes on an accrual basis when due (irrespective of actual collections) to its local political subdivisions, including the District, for which the County acts as the tax-levying or tax-collecting agency.

The Teeter Plan is applicable to all tax levies for which the County acts as the tax-levying or tax-collecting agency, or for which the County treasury is the legal depository of the tax collections. As adopted by the County, the Teeter Plan excludes Mello-Roos community facilities districts and special assessment districts which provide for accelerated judicial foreclosure of property for which assessments are delinquent.

The *ad valorem* property tax to be levied to pay the interest on and principal of the Bonds will be subject to the Teeter Plan, beginning in the first year of such levy. The District will receive 100% of the *ad valorem* property tax levied to pay the Bonds irrespective of actual delinquencies in the collection of the tax by the County. In connection with its adoption of the Teeter Plan, the County advanced to the participating taxing agencies an amount equal to 95% of the total prior year’s delinquent secured property taxes and assessments (not including penalties and interest) and 100% of the current year’s delinquent secured property taxes and assessments outstanding.

The Teeter Plan is to remain in effect unless the Board of Supervisors of the County 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 joined in by a resolution adopted by at least two-thirds of the participating revenue districts in the County. In the event the Board of Supervisors is to order discontinuance of the Teeter Plan subsequent to its implementation, only those secured property taxes actually collected would be allocated to political subdivisions (including the District) for which the County acts as the tax-levying or tax-collecting agency.

There can be no assurance that the County will always maintain the Teeter Plan or will have sufficient funds available to distribute the full amount of the District's share of property tax collections to the District. The ability of the County to maintain the Teeter Plan may depend on its financial resources and may be affected by future property tax delinquencies. Property tax delinquencies may be impacted by economic and other factors beyond the District's or the County's control, including the ability or willingness of property owners to pay property taxes during an economic recession or depression. An economic recession or depression could be caused by many factors outside the control of the District, including high interest rates, reduced consumer confidence, reduced real wages or reduced economic activity as a result of the spread of COVID-19 or other outbreak of disease or natural or manmade disaster. See "APPENDIX A – DISTRICT FINANCIAL AND OPERATING INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – DISTRICT FINANCIAL INFORMATION – Considerations Regarding COVID-19." However, notwithstanding any possible future change to or discontinuation of the Teeter Plan, State law requires the County to levy *ad valorem* property taxes sufficient to pay the Bonds when due.

Tax Rates

A representative tax rate area located within the District, Tax Rate Area 8-119 ("TRA 8-119"), accounted for approximately 17.76% of the District's total assessed valuation in fiscal year 2020-21. The table below summarizes the total *ad valorem* tax rates levied by all taxing entities in TRA 8-119 during the five-year period from 2016-17 to 2020-21.

SUMMARY OF AD VALOREM TAX RATES
Fiscal Years 2016-17 through 2020-21
\$1 Per \$100 Of Assessed Valuation
San Dieguito Union High School District

Tax Rate Area 8-119 – 2020-21 Assessed Valuation: \$12,912,421,317

	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>
General	1.00000%	1.00000%	1.00000%	1.00000%	1.00000%
City of San Diego	.00500	.00500	.00500	.00500	.00500
Metropolitan Water District	.00350	.00350	.00350	.00350	.00350
Mira Costa Community College District	--	.01443	.01294	.01299	.01373
San Dieguito Union High School District	.02275	.02229	.02298	.02318	.02327
Del Mar Union School District	--	--	--	.02674	.02600
Total	1.03125%	1.04522%	1.04442%	1.07141%	1.07152%

Source: California Municipal Statistics, Inc.

The annual *ad valorem* tax rates levied by the County will be determined by the relationship between the assessed valuation of taxable property in the District and the amount of obligations payable from *ad valorem* taxes in a given year. Fluctuations in the assessed value of taxable property in the District may cause the annual tax rates to fluctuate. See "– Assessed Valuations" above.

Largest Property Owners

The following table shows the 20 largest property taxpayers in the District as determined by secured assessed valuation in fiscal year 2020-21.

LARGEST 2020-21 LOCAL SECURED PROPERTY TAXPAYERS San Dieguito Union High School District

	<u>Property Owner</u>	<u>Primary Land Use</u>	2020-21 <u>Assessed Valuation</u>	<u>Total</u> ⁽¹⁾
1.	Kilroy Realty LP	Office Building	\$848,855,805	1.18%
2.	Irvine Co. LLC	Apartments	309,349,007	0.43
3.	Continuing Life Communities LLC	Rest Home	301,508,758	0.42
4.	GDM Hotel Properties LLC	Hotel	228,858,825	0.32
5.	T-C Forum at Carlsbad LLC	Shopping Center	206,583,259	0.29
6.	Paseo Del Mar LLC	Office Building	168,810,000	0.23
7.	Del Mar Highlands Town Center Associates	Commercial	166,446,430	0.23
8.	La Costa Town Center LLC	Shopping Center	154,861,764	0.21
9.	Torrey Garden Hills I LLC	Apartments	147,263,193	0.20
10.	Carmel Village LP	Apartments	133,460,514	0.19
11.	Cognac Del Mar Owner I & II LLC	Office Building	122,541,212	0.17
12.	SWVPMMD LLC	Hotel	121,272,888	0.17
13.	BRE CA Office Owner LLC	Office Building	115,578,656	0.16
14.	Pacific Highlands Ranch LP	Apartments	112,092,904	0.16
15.	BRE-FMCA LLC	Apartments	110,205,482	0.15
16.	Gateway Torrey Hills LLC	Office Building	109,242,000	0.15
17.	Torrey Hills Apartments SD LLC	Apartments	106,313,434	0.15
18.	Trea Pacific Plaza LLC	Office Building	105,100,000	0.15
19.	SBTC Holdings LLC	Shopping Center	102,021,684	0.14
20.	Township 14 LLC	Office Building	<u>90,068,860</u>	<u>0.12</u>
			\$3,760,434,675	5.22%

⁽¹⁾ 2020-21 Local Secured Assessed Valuation: \$72,056,550,998.

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. In fiscal year 2020-21, no single taxpayer owned more than 1.18% of the total secured assessed taxable property in the District. Each taxpayer listed is a unique name appearing on the tax rolls; the District cannot determine from County assessment records whether individual persons, corporations or other organizations are liable for tax payments with respect to multiple properties held in various names that in aggregate may be larger than is suggested by the table.

Statement of Direct and Overlapping Debt

Set forth below is a direct and overlapping debt report regarding the District (a "Debt Report") prepared by California Municipal Statistics, Inc. and effective April 1, 2021, for debt issued as of March 11, 2021. The Debt Report is included for general information purposes only. The District has not reviewed the Debt Report for completeness or accuracy and makes no representation in connection therewith.

The Debt Report generally includes long-term obligations sold in the public credit markets by public agencies whose boundaries overlap the boundaries of the District in whole or in part. Such long-term obligations generally are not payable from revenues of the District (except as indicated) nor are they

necessarily obligations secured by land within the District. In many cases, long-term obligations issued by a public agency are payable only from the general fund or other revenues of such public agency. The contents of the Debt Report are as follows: (1) the first column indicates the public agencies which have outstanding debt as of the date of the Debt Report and whose territory overlaps the District; (2) the second column shows the respective percentage of the assessed valuation of the overlapping public agencies identified in column 1 which is represented by property located in the District; and (3) the third column is an apportionment of the dollar amount of each public agency's outstanding debt (which amount is not shown in the table) to property in the District, as determined by multiplying the total outstanding debt of each agency by the percentage of the District's assessed valuation represented in the second column.

The table below includes obligations associated with community facilities districts established within the District in an aggregate outstanding principal amount of \$101,755,000 (the "Special Tax Bonds"). In each case, the Special Tax Bonds are secured by special taxes levied against the land within the respective community facilities districts to pay for certain improvements. See "APPENDIX A – DISTRICT FINANCIAL AND OPERATING INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – DISTRICT FINANCIAL INFORMATION – District Debt Structure – Non-Obligatory Debt; Community Facilities Districts."

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STATEMENT OF DIRECT AND OVERLAPPING BONDED DEBT
San Dieguito Union High School District

2020-21 Assessed Valuation: \$72,688,461,154

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	% Applicable	Debt 4/1/21
Metropolitan Water District	2.227%	\$597,504
Mira Costa Community College District	60.501	185,293,388
Palomar Community College District	0.085	557,533
San Diego Community College District	0.024	307,490
San Dieguito Union High School District	100.000	341,625,000⁽¹⁾
Cardiff School District	100.000	23,406,075
Del Mar Union School District	100.000	50,060,000
Encinitas Union School District	100.000	45,278,945
Rancho Santa Fe School District	100.000	30,842,074
Solana Beach School District School Facilities Improvement District No. 2016-1	100.000	93,095,000
Palomar Pomerado Hospital District	0.090	373,974
San Dieguito Union High School District Community Facilities Districts	100.000	101,755,000
Del Mar Union School District Community Facilities District No. 95-1	100.000	12,955,000
Del Mar Union School District Community Facilities District No. 99-1	100.000	37,990,000
North City West School District Community Facilities District No. 1	100.000	34,812,921
Solana Beach School District Community Facilities District Nos. 99-1, 2000-1 and 2004-1	100.000	31,110,000
Rancho Santa Fe Community Services District Community Facilities District No. 1	45.316	12,876,541
City of Encinitas Community Facilities District No. 1	100.000	20,635,000
Olivenhain Municipal Water District Assessment District No. 96-1	73.401	4,635,273
Other City and Special District 1915 Act Bonds (Estimate)	100.000	37,617,000
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		\$1,065,823,718
 <u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>		
San Diego County General Fund Obligations	12.411%	\$26,259,814
San Diego County Pension Obligation Bonds	12.411	49,659,514
San Diego County Superintendent of Schools Obligations	12.411	1,065,484
Palomar Community College District General Fund Obligations	0.085	1,326
San Dieguito Union High School District General Fund Obligations	100.000	12,730,000
City of Encinitas Certificates of Participation	100.000	39,350,000
City of San Diego General Fund Obligations	8.928	43,589,570
City of San Marcos Certificates of Participation	0.019	491
City of Solana Beach Certificates of Participation	100.000	287,700
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT		\$172,943,899
 <u>OVERLAPPING TAX INCREMENT DEBT:</u>		
Solana Beach Redevelopment Agency (Successor Agency)	100.000%	\$2,351,400
TOTAL OVERLAPPING TAX INCREMENT DEBT		\$2,351,400
 COMBINED TOTAL DEBT		 \$1,241,119,017⁽²⁾

(1) Excludes the Bonds; includes the Prior Bonds.

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

Ratios to 2020-21 Assessed Valuation:

Direct Debt (\$341,625,000)	0.47%
Total Overlapping Tax and Assessment Debt	1.47%
Combined Direct Debt (\$354,355,000)	0.49%
Combined Total Debt	1.71%

Ratios to Redevelopment Incremental Valuation (\$174,426,567):

Total Overlapping Tax Increment Debt	1.35%
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Source: California Municipal Statistics, Inc.

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 Internal Revenue Code of 1986 (the “Code”) and is exempt from State of California personal income taxes. Bond Counsel is of the further opinion that interest on the Tax-Exempt Bonds is not a specific preference item for purposes of the federal alternative minimum tax. A complete copy of the proposed form of opinion of Bond Counsel is set forth in Appendix C 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 State of California 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 of California 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 is expected to express 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 Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the District, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The District has covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Tax-Exempt 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, parties other than the District and its appointed counsel, including the 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.

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 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 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 C hereto.

The following discussion summarizes certain U.S. federal 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 tax consequences discussed below, and no assurance can be given that the IRS will not take contrary positions. Further, the following discussion does not deal with U.S. tax consequences applicable to any given investor, nor does it address the U.S. tax considerations applicable to all categories of investors, some of which may be subject to special taxing rules (regardless of whether or not such investors constitute U.S. Holders), such as certain U.S. expatriates, banks, REITs, RICs, insurance companies, tax-exempt organizations, dealers or traders in securities or currencies, partnerships, S corporations, estates and trusts, investors that hold their Taxable Bonds as part of a hedge, straddle or an integrated or conversion transaction, or investors whose “functional currency” is not the U.S. dollar. 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).

Notwithstanding the rules described below, it should be noted that, under newly enacted law that is effective for tax years beginning after December 31, 2017 (or, in the case of original issue discount, for tax years beginning after December 31, 2018), certain taxpayers with certain regulatory or governmental agencies may be required to recognize income, gain and loss with respect to the Taxable Bonds at the time that such income, gain or loss is recognized on such financial statements instead of under the rules described below.

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.

To the extent that the issue price of any maturity of the Taxable Bonds is less than the amount to be paid at maturity of such Taxable Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Taxable Bonds) by more than a de minimis amount, the difference may constitute original issue discount ("OID"). U.S. Holders of Taxable Bonds will be required to include OID in income for U.S. federal income tax purposes as it accrues, in accordance with a constant yield method based on a compounding of interest (which may be before the receipt of cash payments attributable to such income). Under this method, U.S. Holders generally will be required to include in income increasingly greater amounts of OID in successive accrual periods.

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, and increased by the amount of any OID previously included in income by such U.S. Holder with respect to such Taxable 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 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 tax basis in the Taxable Bonds.

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 U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in

Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against the U.S. Holder's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain U.S. holders (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. A holder's failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

Non-U.S. Holders

Interest. Subject to the discussions below under the headings "Information Reporting and Backup Withholding" and "Foreign Account Tax Compliance Act," payments of principal of, and interest on, any Taxable Bond to a Non-U.S. Holder, other than (1) a controlled foreign corporation, as such term is defined in the Code, which is related to the District through stock ownership 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 "FATCA," 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.

U.S. Federal Estate Tax. A Taxable Bond that is held by an individual who at the time of death is not a citizen or resident of the United States will not be subject to U.S. federal estate tax as a result of such individual's death, provided that, at the time of such individual's death, payments of interest with respect to such Taxable Bond would not have been effectively connected with the conduct by such individual of a trade or business within the United States.

Information Reporting and Backup Withholding. Subject to the discussion below under the heading "FATCA," 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. 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 and principal under the Taxable Bonds and sales proceeds of Taxable Bonds held by or through a foreign entity. In general, withholding under FATCA currently applies to payments of U.S. source interest (including OID) and, under current guidance, will apply to (i) gross proceeds from the sale, exchange or retirement of debt obligations paid after December 31, 2018 and (ii) certain “passthru” payments no earlier than January 1, 2019. 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.

LIMITATION ON REMEDIES; BANKRUPTCY

General. State law contains certain safeguards to protect the financial solvency of school districts. See “APPENDIX A – DISTRICT FINANCIAL AND OPERATING INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – DISTRICT FINANCIAL INFORMATION – Budget Process.” If the safeguards are not successful in preventing a school district from becoming insolvent, 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 school district for the adjustment of its debts, assuming that the school district meets certain other requirements contained in the Bankruptcy Code necessary for filing a petition under Chapter 9. School districts are not themselves authorized to file a bankruptcy proceeding, and they are not subject to involuntary bankruptcy.

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 automatic stay provisions of Bankruptcy Code Sections 362 and 922 generally would prohibit creditors from taking any action to collect amounts due from the District or to enforce any obligation of the District related to such amounts due, without consent of the District or authorization of the bankruptcy court (although such stays would not operate to block creditor application of pledged special revenues to payment of indebtedness secured by such revenues). In addition, as part of its plan of adjustment in a Chapter 9 bankruptcy case, 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, as long as the bankruptcy court determines that the alterations are fair and equitable. 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. Moreover, 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.

Statutory Lien. Pursuant to Section 53515 of the California Government Code, the Bonds are secured by a statutory lien on all revenues received pursuant to the levy and collection of the tax, and such lien automatically arises, without the need for any action or authorization by the District or its Board, and is valid and binding from the time the Bonds are executed and delivered. See “THE BONDS – Security and Sources of Payment” herein. Although a statutory lien would not be automatically terminated by the filing of a Chapter 9 bankruptcy petition by the District, the automatic stay provisions of the Bankruptcy Code would apply and payments that become due and owing on the Bonds during the pendency of the Chapter 9 proceeding could be delayed, unless the Bonds are determined to be secured by a pledge of “special revenues” within the meaning of the Bankruptcy Code and the pledged *ad valorem* taxes are applied to pay the Bonds in a manner consistent with the Bankruptcy Code.

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* revenues 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. State law prohibits the use of the tax proceeds for any purpose other than payment of the bonds and the bond proceeds can only be used to finance or refinance 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 bonds in California, so no assurance can be given that a bankruptcy court would not hold otherwise.

Possession of Tax Revenues; Remedies. The County on behalf of the District is expected to be in possession of the annual *ad valorem* property taxes and certain funds to repay the Bonds and may invest these funds in the Los Angeles County Treasury Pool, as described in “THE BONDS – Investment of Bond Proceeds” herein and “APPENDIX E – COUNTY OF SAN DIEGO INVESTMENT POOL” attached hereto. If the County goes into bankruptcy and has possession of tax revenues (whether collected before or after commencement of the bankruptcy), and if the County 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. Further, should those 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 the approving opinions of Bond Counsel attached hereto as Appendix C are qualified by reference to bankruptcy, insolvency and other laws relating to or affecting creditor’s rights. Bankruptcy proceedings, if initiated, could subject the owners of the Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation, or modification of their rights.

LEGAL MATTERS

Continuing Disclosure

The District has covenanted for the benefit of holders and Beneficial Owners of the Bonds to provide certain 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 (the District’s fiscal year ends on June 30), commencing with the report for the 2020-21 fiscal year (which is due not later than March 31, 2022), and to provide notices of the occurrence of certain enumerated events. The Annual Report and the notices of events will be filed in accordance with the requirements of S.E.C. Rule 15c2-12(b)(5) (the “Rule”). The specific nature of the information to be made available and to be contained in the notices of enumerated events is described in the form of Continuing Disclosure Certificate attached hereto as Appendix D. These covenants have been made in order to assist the Underwriter in complying with the Rule.

[To be confirmed.] The District did not timely file certain budget and financial information and certain enumerated data with respect to Fiscal Year 2015-16 in accordance with continuing disclosure undertakings related to its then-outstanding general obligation bonds and lease revenue bonds. In response to a continuing disclosure undertaking executed by the San Dieguito School Facilities Financing Authority on behalf of itself and certain community facilities districts formed by the District, the Authority did not timely file certain information pertaining to a previously filed CDIAC Yearly Status Report, as part of its annual continuing disclosure information statement for Fiscal Year 2016-17. In addition, the District did not, on or before the dates specified in the related continuing disclosure undertakings, submit notices of late filings in accordance with the continuing disclosure undertakings. The District subsequently filed the budget information and filed notices with respect to the late filings for outstanding issues. The District has retained Willdan Financial Services, Inc. to serve as dissemination agent with respect to its various continuing disclosure undertakings.

Legality for Investment in California

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

Absence of Material Litigation

No litigation is pending or threatened concerning the validity of the Bonds, and a certificate to that effect will be furnished to the Underwriter at the time of the original delivery of the Bonds. The District is not aware of any litigation pending or threatened questioning the political existence of the District or contesting the levy or collection of *ad valorem* taxes to pay the principal of and interest on the Bonds, or the ability of the District to collect other revenues or contesting the District’s ability to issue and retire the Bonds.

The District is subject to lawsuits and claims in the ordinary course of its operations. In the opinion of the District, the aggregate amount of the uninsured liabilities of the District under these lawsuits and claims will not materially affect the finances of the District.

Legal Opinion

The validity of the Bonds and certain other legal matters are subject to the approving opinions of Orrick, Herrington & Sutcliffe LLP, San Francisco, California, as Bond Counsel. Copies of the proposed forms of such legal opinions are attached to this Official Statement as Appendix C.

Escrow Verification

Upon delivery of the Refunding Bonds, Causey, Demgen & Moore P.C., Denver, Colorado, will deliver a report on the mathematical accuracy of certain computations based upon certain information and assertions provided to them by the Underwriter relating to the adequacy of the amounts in the Escrow Fund to pay the redemption price of and accrued interest on the Prior Bonds.

Financial Statements

The financial statements with supplemental information for the year ended June 30, 2020, the independent auditor's report of the District, and the related statements of activities and of cash flows for the year then ended, and the report dated February 26, 2021, of Wilkinson Hadley King & Co. LLP (the "Auditor"), are included in this Official Statement as Appendix B. In connection with the inclusion of the financial statements and the reports of the Auditor thereon in Appendix B to this Official Statement, the District did not request the Auditor to, and the Auditor has not undertaken to, update its report or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement, and no opinion is expressed by the Auditor with respect to any event subsequent to the date of its reports.

Information Reporting and Backup Withholding

Information reporting requirements apply to interest (including original issue discount) paid after March 31, 2007, on tax-exempt obligations, including the Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, "Request for Taxpayer Identification Number and Certification," or unless the recipient is one of a limited class of exempt recipients, including corporations. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an Owner purchasing Bonds through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Bonds from gross income for federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the Owner's federal income tax once the required information is furnished to the Internal Revenue Service.

RATINGS

Moody's Investors Service, Inc. ("Moody's") and S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), have assigned their municipal bond ratings of rating of "___" and "___," respectively, to the Bonds.

Each rating reflects only the views of the respective rating organization and any desired explanation of the significance of such rating should be obtained from the rating agency furnishing the same, at the following address: Moody's Investors Service, Inc., 7 World Trade Center at 250 Greenwich Street, New York, New York 10007, telephone: (212) 533-0300; and S&P Global Ratings at Municipal Finance, 55 Water Street, New York, New York 10041, telephone: (212) 208-8000. Generally, rating agencies base their ratings on information and materials furnished to them (which may include information and material from the District which is not included in this Official Statement) and on investigations, studies and assumptions by the rating agencies. There is no assurance such ratings will continue for any given period of time or that a rating will not be revised downward or withdrawn entirely by the applicable rating agency, 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 for the Bonds.

The District has covenanted in a Continuing Disclosure Certificate to file notices of any rating changes on the Bonds. See the caption "LEGAL MATTERS – Continuing Disclosure" above and "APPENDIX D – FORM OF CONTINUING DISCLOSURE CERTIFICATE." Notwithstanding such covenant, information relating to ratings changes on the Bonds may be publicly available from Moody's and S&P prior to such information being provided to the District and prior to the date the District is obligated to file a notice of rating change pursuant to the Rule. Purchasers of the Bonds are directed to Moody's and S&P, their respective websites and official media outlets for the most current ratings changes with respect to the Bonds after the initial issuance thereof.

MUNICIPAL ADVISOR

The District has retained Fieldman Rolapp & Associates, Inc., as Municipal Advisor (the "Municipal Advisor") in connection with the issuance of the Bonds and certain other financial matters. The Municipal Advisor is a financial advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other negotiable instruments. The Municipal Advisor has not audited, authenticated or otherwise verified the information set forth in the Official Statement, or any other related information available to the District, with respect to the accuracy and completeness of disclosure of such information, and no guaranty, warranty or other representation is made by the Municipal Advisor respecting the accuracy and completeness of this Official Statement or any other matter related to this Official Statement.

UNDERWRITING

The Bonds are being purchased by Piper Sandler & Co. (the "Underwriter"). The Underwriter has agreed to purchase the Refunding Bonds at a price of \$_____, which is equal to the principal amount of the Bonds of \$_____, plus original issue premium of \$_____, less the Underwriter's discount of \$_____. The Underwriter has agreed to purchase the Series E Bonds at a price of \$_____, which is equal to the principal amount of the Bonds of \$_____, plus original issue premium of \$_____, less the Underwriter's discount of \$_____.

The Bond Purchase Agreement for the Refunding Bonds provides that the Underwriter will purchase all of the Bonds if any are purchased, the obligation to make such purchase being subject to certain terms and conditions set forth in said agreement, the approval of certain legal matters by counsel and certain other conditions. The Bond Purchase Agreement for the Series E Bonds provides that the Underwriter will purchase all of the Bonds if any are purchased, the obligation to make such purchase

being subject to certain terms and conditions set forth in said agreement, the approval of certain legal matters by counsel and certain other conditions.

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

[In connection with the solicitation of bids for certain of the Escrow Securities to be purchased with amounts deposited under the Escrow Agreement, Piper Sandler & Co., may submit bids to the bidding agent and provide such investments to the Escrow Agent, and may earn a reasonable and customary spread for performing this service.]

ADDITIONAL INFORMATION

Quotations from and summaries and explanations of the Bonds, the resolutions providing for issuance of the Bonds, and the constitutional provisions, statutes and other documents referenced herein, do not purport to be complete, and reference is made to said documents, constitutional provisions and statutes for full and complete statements of their provisions.

Some of the data contained herein has been taken or constructed from the District records. Appropriate District officials, acting in their official capacities, have reviewed this Official Statement and have determined that, as of the date hereof, the information contained herein is, to the best of their knowledge and belief, true and correct in all material respects and does not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made herein, in light of the circumstances under which they were made, not misleading. This Official Statement has been approved by the District's Board of Trustees.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended only 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, beneficial or otherwise, of any of the Bonds.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

By _____
Tina M. Douglas
Associate Superintendent, Business Services

APPENDIX A

**DISTRICT FINANCIAL AND OPERATING INFORMATION AND
REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION**

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APPENDIX A**DISTRICT FINANCIAL AND OPERATING INFORMATION AND
REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION**

This Appendix A provides information concerning the operations and finances of the San Dieguito Union High School District (the “District”) and certain economic and demographic information regarding the area covered by the District. The Bonds are general obligation bonds of the District, secured and payable from ad valorem property taxes assessed on taxable properties within the District and are not an obligation of the County or of the general fund of the District. See “THE BONDS – Security and Sources of Payment” in the forepart of this Official Statement.

DISTRICT GENERAL INFORMATION**General**

The District consists of approximately 85 square miles of territory in the northern portion of San Diego County (the “County”), California (the “State”). The District educates students from five feeder elementary school districts: Encinitas, Cardiff, Solana Beach, Del Mar and Rancho Santa Fe. The District operates five comprehensive middle schools for grades seven through eight, and four comprehensive high schools for grades nine through twelve. The District also offers a continuation high school with an alternative education program for grades nine through twelve. Enrollment in the District for grades seven through twelve was 13,177 students in the 2019-20 school year and is 13,001 students in the 2020-21 school year.

Unless otherwise indicated, the following financial, statistical and demographic data has been provided by the District. Additional information concerning the District and copies of the most recent and subsequent audited financial reports of the District may be obtained by contacting: San Dieguito Union High School District, 710 Encinitas Boulevard, Encinitas, California 92024, Attention: Superintendent. The District may impose a charge for copying, mailing and handling.

Administration

The governing board of the District (the “Board”) consists of five elected members. Members are elected to serve staggered four-year terms. Elections for positions to the Board are held every two years, alternating between two and three available positions. A president is elected by members of the Board each year. Current members of the Board, together with their offices and the dates their current terms expire, are listed below.

BOARD OF TRUSTEES
San Dieguito Union High School District⁽¹⁾

<u>Name</u>	<u>Office</u>	<u>Current Term Expires</u>
Maureen “Mo” Muir	President	December 2022
Melisse Mossy	Vice President	December 2022
Katrina Young	Clerk	December 2024
Michael Allman	Trustee	December 2024

⁽¹⁾ There is currently one vacancy on the District’s Board of Trustees.

The District's day-to-day operations are managed by a board-appointed Superintendent of Schools (the "Superintendent"). The management and policies of the District are administered by the Superintendent and a staff which provides business, pupil, personnel, administrative personnel, and instruction support services. The current Superintendent, Robert A. Haley, Ed.D., has served in that capacity since November 1, 2018.

Funding

Funding for the District is based on the Local Control Funding Formula (as further described herein, the "LCFF"). See "DISTRICT FINANCIAL INFORMATION – State Funding of Education – Local Control Funding Formula" herein. The District has, in the past, been classified as a "basic aid" district, because local property taxes collected and inuring to the District exceeded the amounts that would have been funded under the LCFF and otherwise provided by the State. The District became a basic aid district in Fiscal Year 2008-09, following state funding cuts to the then-applicable revenue limit formulation for school funding and remained a basic aid district until Fiscal Year 2014-15. Although the District has not been a basic aid district in recent years, the District continues to have an extraordinarily strong tax base.

Depending on the rate of growth in local property tax revenue, the District could transition back to a basic aid district. State aid is based primarily on average daily attendance and other appropriations. Under the current State funding formulas, if local taxes do not provide money equal to the funded LCFF, the State will make up the difference through State funding. See "DISTRICT FINANCIAL INFORMATION – State Funding of Education – Basic Aid Districts."

Enrollment Trends

The following table shows the enrollment history for the District.

**ANNUAL ENROLLMENT
Fiscal Years 2011-12 Through 2020-21
San Dieguito Union High School District**

Year	Enrollment	Annual Change	Annual % Change
2011-12	12,485	--	--
2012-13	12,365	-120	-1.0%
2013-14	12,497	132	1.1
2014-15	12,645	148	1.2
2015-16	12,726	81	0.6
2016-17	12,951	225	1.8
2017-18	13,063	112	0.9
2018-19	13,128	65	0.5
2019-20	13,177	49	0.4
2020-21	13,001	-176	-1.35

Source: The District.

Labor Relations

As of January 1, 2021, the District employed 603 full-time equivalent (“FTE”) certificated employees and 353 FTE classified employees. These employees, except management, confidential and other non-represented employees are represented by two bargaining units as noted below:

LABOR BARGAINING UNITS San Dieguito Union High School District

<u>Labor Organization</u>	<u>Number of Employees In Organization</u>	<u>Contract Expiration Date</u>
San Dieguito Faculty Association	624	June 30, 2021
California School Employees Association	388	June 30, 2021

Source: The District.

State Retirement Systems

The information set forth below regarding the District’s retirement programs, other than the information provided by the District regarding its annual contributions thereto, has been obtained from publicly available sources which are believed to be reliable but are not guaranteed as to accuracy or completeness, and should not to be construed as a representation by none of the District, the Municipal Advisor, or the Underwriter.

STRS. All full-time certificated employees, as well as certain classified employees, are members of the State Teachers’ Retirement System (“STRS”). STRS provides retirement, disability and survivor benefits to plan members and beneficiaries under a defined benefit program (the “STRS Defined Benefit Program”). The STRS Defined Benefit Program is funded through a combination of investment earnings and statutorily set contributions from three sources: employees, employers, and the State. Benefit provisions and contribution amounts are established by State statutes, as legislatively amended from time to time.

Prior to fiscal year 2014-15, and unlike typical defined benefit programs, none of the employee, employer or State contribution rates to the STRS Defined Benefit Program varied annually to make up funding shortfalls or assess credits for actuarial surpluses. In recent years, the combined employer, employee and State contributions to the STRS Defined Benefit Program have not been sufficient to pay actuarially required amounts. As a result, and due to significant investment losses, the unfunded actuarial liability of the STRS Defined Benefit Program has increased significantly in recent fiscal years. In September 2013, STRS projected that the STRS Defined Benefit Program would be depleted in 31 years assuming existing contribution rates continued, and other significant actuarial assumptions were realized. In an effort to reduce the unfunded actuarial liability of the STRS Defined Benefit Program, the State passed the legislation described below to increase contribution rates.

Prior to July 1, 2014, school districts and community college districts (collectively, “K-14 school districts”) were required by such statutes to contribute 8.25% of eligible salary expenditures, while participants contributed 8% of their respective salaries. On June 24, 2014, the Governor signed AB 1469 (“AB 1469”) into law as a part of the State’s fiscal year 2014-15 budget. AB 1469 seeks to fully fund the unfunded actuarial obligation with respect to service credited to members of the STRS Defined Benefit Program before July 1, 2014 (the “2014 Liability”), within 32 years, by increasing member, K-14 school district and State contributions to STRS. Commencing July 1, 2014, the employee contribution rate increased over a three-year phase-in period in accordance with the following schedule:

**MEMBER CONTRIBUTION RATES
STRS Defined Benefit Program**

<u>Effective Date</u>	<u>STRS Members Hired Prior to January 1, 2013</u>	<u>STRS Members Hired After January 1, 2013</u>
July 1, 2014	8.150%	8.150%
July 1, 2015	9.200	8.560
July 1, 2016	10.250	9.205

Source: AB 1469.

Pursuant to the Reform Act (defined below), the contribution rates for members hired after the Implementation Date (defined below) will be adjusted if the normal cost increases by more than 1% since the last time the member contribution was set. The contribution rate for employees hired after the Implementation Date (defined below) increased from 9.205% of creditable compensation for fiscal year commencing July 1, 2017 to 10.205% of creditable compensation effective July 1, 2018. For fiscal year commencing July 1, 2019, the contribution rate was 10.250% for employees hired before the Implementation Date and 10.205% for employees hired after the Implementation Date. For fiscal year commencing July 1, 2020, the contribution rate is 10.250% for employees hired before the Implementation Date and 10.205% for employees hired after the Implementation Date.

Pursuant to AB 1469, K-14 school districts' contribution rate increased over a seven-year phase-in period in accordance with the following schedule:

**K-14 SCHOOL DISTRICT CONTRIBUTION RATES
STRS Defined Benefit Program**

<u>Effective Date</u>	<u>K-14 school districts</u>
July 1, 2014	8.88%
July 1, 2015	10.73
July 1, 2016	12.58
July 1, 2017	14.43
July 1, 2018	16.28
July 1, 2019	18.13
July 1, 2020	19.10

Source: AB 1469.

Based upon the recommendation from its actuary, for fiscal year 2021-22 and each fiscal year thereafter, the STRS Teachers' Retirement Board (the "STRS Board") is required to increase or decrease the K-14 school districts' contribution rate to reflect the contribution required to eliminate the remaining 2014 Liability by June 30, 2046; provided that the rate cannot change in any fiscal year by more than 1% of creditable compensation upon which members' contributions to the STRS Defined Benefit Program are based; and provided further that such contribution rate cannot exceed a maximum of 20.25%. In addition to the increased contribution rates discussed above, AB 1469 also requires the STRS Board to report to the State legislature (the "Legislature") every five years (commencing with a report due on or before July 1, 2019) on the fiscal health of the STRS Defined Benefit Program and the unfunded actuarial obligation with respect to service credited to members of that program before July 1, 2014. The reports are also required to identify adjustments required in contribution rates for K-14 school districts and the State in order to eliminate the 2014 Liability.

On June 27, 2019, the Governor signed SB 90 ("SB 90") into law as a part of the 2019-20 Budget. Pursuant to SB 90, the Legislature appropriated \$2.246 billion to be transferred to the Teacher's Retirement

Fund for the STRS Defined Benefit Program to pay in advance, on behalf of employers, part of the contributions required for fiscal years 2019-20 and 2020-21, resulting in K-14 school districts having to contribute 1.03% less in fiscal year 2019-20 and 0.70% less in fiscal year 2020-21, resulting in employer contribution rates of 17.1% in fiscal year 2019-20 and 18.4% in fiscal year 2020-21. In addition, the State made a contribution of \$1.117 billion to be allocated to reduce the employer's share of the unfunded actuarial obligation determined by the STRS Board upon recommendation from its actuary. This additional payment was reflected in the June 30, 2020 actuarial valuation. Subsequently, the State's 2020-21 Budget redirected \$2.3 billion previously appropriated to STRS and PERS pursuant to SB 90 for long-term unfunded liabilities to further reduce the employer contribution rates in fiscal year 2020-21 and 2021-22. As a result, the effective employer contribution rate is 16.15% in fiscal year 2020-21 and is projected to be 16.02% in fiscal year 2021-22. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING SCHOOL DISTRICT REVENUES AND APPROPRIATIONS – State Budget Measures – 2020-21 State Budget" herein.

The District's contributions to STRS were \$8,607,389 in fiscal year 2017-18, \$9,818,820 in fiscal year 2018-19 and \$11,375,921 in fiscal year 2019-20. The District has budgeted \$11,938,697 for its contribution to STRS in fiscal year 2020-21. For more information, see Note N to the audited financial statements of the District for the year ended June 30, 2020, attached hereto as Appendix B.

The State also contributes to STRS, currently in an amount equal to 8.328% for fiscal year 2020-21. The State's contribution reflects a base contribution rate of 2.017%, and a supplemental contribution rate that will vary from year to year based on statutory criteria. Based upon the recommendation from its actuary, for fiscal year 2017-18 and each fiscal year thereafter, the STRS Board is required, with certain limitations, to increase or decrease the State's contribution rates to reflect the contribution required to eliminate the unfunded actuarial accrued liability attributed to benefits in effect before July 1, 1990. The STRS Board approved State supplemental contribution rate for fiscal year 2020-21 reflects an increase of 0.5% of payroll, the maximum allowed under current law.

In addition, the State is currently required to make an annual general fund contribution up to 2.5% of the fiscal year covered STRS member payroll to the Supplemental Benefit Protection Account (the "SBPA"), which was established by statute to provide supplemental payments to beneficiaries whose purchasing power has fallen below 85% of the purchasing power of their initial allowance.

PERS. Classified employees working four or more hours per day are members of the Public Employees' Retirement System ("PERS"). PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the State statutes, as legislatively amended from time to time. PERS operates a number of retirement plans including the Public Employees Retirement Fund ("PERF"). PERF is a multiple-employer defined benefit retirement plan. In addition to the State, employer participants on June 30, 2019 included 1,612 public agencies and 1,319 K-14 school districts and charter schools. PERS acts as the common investment and administrative agent for the member agencies. The State and K-14 school districts (for "classified employees," which generally consist of school employees other than teachers) are required by law to participate in PERF. Employees participating in PERF generally become fully vested in their retirement benefits earned to date after five years of credited service. One of the plans operated by PERS is for K-14 school districts throughout the State (the "Schools Pool").

Contributions by employers to the Schools Pool are based upon an actuarial rate determined annually and contributions by plan members vary based upon their date of hire. The actuarial determined employer contribution rate for fiscal year 2020-21 is 20.7%, which reflects the redirection of funds by the State's 2020-21 Budget, that were previously appropriated pursuant to SB 90 for long-term unfunded liabilities (discussed above). The State's 2020-21 Budget projects an employer contribution rate of 22.84%

in fiscal year 2021-22. See “DISTRICT FINANCIAL INFORMATION – General Fund Budgets” herein. Participants enrolled in PERS prior to January 1, 2013 contribute at a rate established by statute, which is 7% of their respective salaries in fiscal year 2019-20 and will be 7% of such salaries in fiscal year 2020-21, while participants enrolled after January 1, 2013 contribute at an actuarially determined rate, which is 7% in fiscal year 2019-20 and will be 7% in fiscal year 2020-21. See “– California Public Employees’ Pension Reform Act of 2013” herein.

Pursuant to SB 90, the Legislature appropriated \$144 million for fiscal year 2019-20 and \$100 million for fiscal year 2020-21 to be transferred to the Public Employees’ Retirement Fund, to pay in advance, on behalf of K-14 school district employers, part of the contributions required for K-14 school district employers for such fiscal years. In addition, the Legislature appropriated \$660 million to be applied toward certain unfunded liabilities for K-14 school district employers. As a result of the payments made by the State pursuant to SB 90, the employer contribution rate for fiscal year 2019-20 was 19.721%. See “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING SCHOOL DISTRICT REVENUES AND APPROPRIATIONS – State Budget Measures – 2020-21 State Budget” herein.

The District’s contributions to PERS was \$2,785,417 in fiscal year 2017-18, \$3,099,948 in fiscal year 2018-19, and \$3,584,146 in fiscal year 2019-20. The District has budgeted \$4,163,240 for its contribution to PERS for fiscal year 2020-21. For more information, see Note N to the audited financial statements of the District for the year ended June 30, 2020, attached hereto as Appendix B.

State Pension Trusts. Each of STRS and PERS issues a separate comprehensive financial report that includes financial statements and required supplemental information. Copies of such financial reports may be obtained from each of STRS and PERS as follows: (i) STRS, P.O. Box 15275, Sacramento, California 95851-0275; (ii) PERS, P.O. Box 942703, Sacramento, California 94229-2703. Moreover, each of STRS and PERS maintains a website, as follows: (i) STRS: www.calstrs.com; (ii) PERS: www.calpers.ca.gov. However, the information presented in such financial reports or on such websites is not incorporated into this Official Statement by any reference.

Both STRS and PERS have substantial statewide unfunded liabilities. The amount of these unfunded liabilities will vary depending on actuarial assumptions, returns on investments, salary scales and participant contributions. The table on the following page summarizes information regarding the actuarially-determined accrued liability for both STRS and PERS. Actuarial assessments are “forward-looking” information that reflect the judgment of the fiduciaries of the pension plans, and are based upon a variety of assumptions, one or more of which may not materialize or be changed in the future. Actuarial assessments will change with the future experience of the pension plans.

FUNDED STATUS
STRS (Defined Benefit Program) and PERS (Schools Pool)
(Dollar Amounts in Millions)⁽¹⁾
Fiscal Years 2010-11 through 2018-19

<u>STRS</u>					
<u>Fiscal Year</u>	<u>Accrued Liability</u>	<u>Value of Trust Assets (MVA)⁽²⁾</u>	<u>Unfunded Liability (MVA)⁽²⁾</u>	<u>Value of Trust Assets (AVA)⁽³⁾</u>	<u>Unfunded Liability (AVA)⁽³⁾</u>
2010-11	\$208,405	\$147,140	\$68,365	\$143,930	\$64,475
2011-12	215,189	143,118	80,354	144,232	70,957
2012-13	222,281	157,176	74,374	148,614	73,667
2013-14	231,213	179,749	61,807	158,495	72,718
2014-15	241,753	180,633	72,626	165,553	76,200
2015-16	266,704	177,914	101,586	169,976	96,728
2016-17	286,950	197,718	103,468	179,689	107,261
2017-18	297,603	211,367	101,992	190,451	107,152
2018-19	310,719	225,466	102,636	205,016	105,703

<u>PERS</u>					
<u>Fiscal Year</u>	<u>Accrued Liability</u>	<u>Value of Trust Assets (MVA)</u>	<u>Unfunded Liability (MVA)</u>	<u>Value of Trust Assets (AVA)⁽³⁾</u>	<u>Unfunded Liability (AVA)⁽³⁾</u>
2010-11	\$58,358	\$45,901	\$12,457	\$51,547	\$6,811
2011-12	59,439	44,854	14,585	53,791	5,648
2012-13	61,487	49,482	12,005	56,250	5,237
2013-14	65,600	56,838	8,761	-- ⁽⁴⁾	-- ⁽⁴⁾
2014-15	73,325	56,814	16,511	-- ⁽⁴⁾	-- ⁽⁴⁾
2015-16	77,544	55,785	21,759	-- ⁽⁴⁾	-- ⁽⁴⁾
2016-17	84,416	60,865	23,551	-- ⁽⁴⁾	-- ⁽⁴⁾
2017-18	92,071	64,846	27,225	-- ⁽⁴⁾	-- ⁽⁴⁾
2018-19	99,528	68,177	31,351	-- ⁽⁴⁾	-- ⁽⁴⁾

⁽¹⁾ Amounts may not add due to rounding.

⁽²⁾ Reflects market value of assets, including the assets allocated to the SBPA reserve. Since the benefits provided through the SBPA are not a part of the projected benefits included in the actuarial valuations summarized above, the SBPA reserve is subtracted from the STRS Defined Benefit Program assets to arrive at the value of assets available to support benefits included in the respective actuarial valuations.

⁽³⁾ Reflects actuarial value of assets.

⁽⁴⁾ Effective for the June 30, 2014 actuarial valuation, PERS no longer uses an actuarial value of assets.

Source: PERS Schools Pool Actuarial Valuation; STRS Defined Benefit Program Actuarial Valuation.

The STRS Board has sole authority to determine the actuarial assumptions and methods used for the valuation of the STRS Defined Benefit Program. Based on the multi-year CalSTRS Experience Analysis (spanning from July 1, 2010, through June 30, 2015) (the “2017 Experience Analysis”), on February 1, 2017, the STRS Board adopted a new set of actuarial assumptions that reflect member’s increasing life expectancies and current economic trends. These new assumptions were first reflected in the STRS Defined Benefit Program Actuarial Valuation, as of June 30, 2016 (the “2016 STRS Actuarial Valuation”). The new actuarial assumptions include, but are not limited to: (i) adopting a generational mortality methodology to reflect past improvements in life expectancies and provide a more dynamic assessment of future life spans, (ii) decreasing the investment rate of return (net of investment and administrative expenses) to 7.25% for the 2016 STRS Actuarial Valuation and 7.00% for the June 30, 2017 actuarial evaluation (the “2017 STRS Actuarial Valuation”), and (iii) decreasing the projected wage growth to 3.50% and the projected inflation rate to 2.75%.

Based on the multi-year CalSTRS Experience Analysis (spanning from July 1, 2015, through June 30, 2018) (the “2020 Experience Analysis”), on January 31, 2020, the STRS Board adopted a new set of actuarial assumptions that were first reflected in the STRS Defined Benefit Program Actuarial Valuation, as of June 30, 2019 (the “2019 STRS Actuarial Valuation”). While no changes were made to the actuarial assumptions discussed above, which were established as a result of the 2017 Experience Analysis, certain demographic changes were made, including: (i) lowering the termination rates to reflect a continued trend of lower than expected teachers leaving their employment prior to retirement, and (ii) adopting changes to the retirement rates for both employees hired before the Implementation Date and after the Implementation Date to better reflect the anticipated impact of years of service on retirements. The 2019 STRS Actuarial Valuation continues using the Entry Age Normal Actuarial Cost Method.

Based on salary increases less than assumed, additional State contributions, and actuarial asset gains recognized from the current and prior years, the 2019 STRS Actuarial Valuation reports that the unfunded actuarial obligation decreased by \$1.5 billion since the 2018 STRS Actuarial Valuation and the funded ratio increased by 2.0% to 66.0% over such time period.

According to the 2019 STRS Actuarial Valuation, the future revenues from contributions and appropriations for the STRS Defined Benefit Program are projected to be approximately sufficient to finance its obligations with a projected ending funded ratio in fiscal year ending June 30, 2046 of 99.9%, except for a small portion of the unfunded actuarial obligation related to service accrued on or after July 1, 2014 for member benefits adopted after 1990, for which AB 1469 provides no authority to the STRS Board to adjust rates to pay down that portion of the unfunded actuarial obligation. This finding reflects the scheduled contribution rate increases directed by statute, assumes additional increases in the scheduled contribution rates allowed under the current law will be made, and is based on the valuation assumptions and valuation policy adopted by the STRS Board, including a 7.00% investment rate of return assumption and includes the \$1.117 billion State contribution made in July 2019 pursuant to SB 90.

The actuary for the STRS Defined Benefit Program notes in the 2019 STRS Actuarial Report that, since such report is dated as of June 30, 2019, the significant declines in the investment markets that have occurred in the first half the 2020 calendar year are not directly reflected in the 2019 STRS Actuarial Report. The actuary notes that such declines will almost certainly impact the future of the STRS Defined Benefit Program funding, and that, all things being equal, it is expected that the actuarial valuation for the fiscal year ending June 30, 2020 will show a greater increase in the projected State contribution rate (and possibly the employer rate) and a possible decline in the funded ratio. See “DISTRICT FINANCIAL INFORMATION – Considerations Regarding COVID-19” herein.

In recent years, the PERS Board of Administration (the “PERS Board”) has taken several steps, as described below, intended to reduce the amount of the unfunded accrued actuarial liability of its plans, including the Schools Pool.

On March 14, 2012, the PERS Board voted to lower the PERS’ rate of expected price inflation and its investment rate of return (net of administrative expenses) (the “PERS Discount Rate”) from 7.75% to 7.5%. On February 18, 2014, the PERS Board voted to keep the PERS Discount Rate unchanged at 7.5%. On November 17, 2015, the PERS Board approved a new funding risk mitigation policy to incrementally lower the PERS Discount Rate by establishing a mechanism whereby such rate is reduced by a minimum of 0.05% to a maximum of 0.25% in years when investment returns outperform the existing PERS Discount Rate by at least four percentage points. On December 21, 2016, the PERS Board voted to lower the PERS Discount Rate to 7.0% over a three year phase-in period in accordance with the following schedule: 7.375% for the June 30, 2017 actuarial valuation, 7.25% for the June 30, 2018 actuarial valuation and 7.00% for the June 30, 2019 actuarial valuation. The new discount rate went into effect July 1, 2017 for the State and July 1, 2018 for K-14 school districts and other public agencies. Lowering the PERS Discount Rate means

employers that contract with PERS to administer their pension plans will see increases in their normal costs and unfunded actuarial liabilities. Active members hired after January 1, 2013, under the Reform Act (defined below) will also see their contribution rates rise.

On April 17, 2013, the PERS Board approved new actuarial policies aimed at returning PERS to fully-funded status within 30 years. The policies include a rate smoothing method with a 30-year fixed amortization period for gains and losses, a five-year increase of public agency contribution rates, including the contribution rate at the onset of such amortization period, and a five year reduction of public agency contribution rates at the end of such amortization period. The new actuarial policies were first included in the June 30, 2014 actuarial valuation and were implemented with respect to the State, K-14 school districts and all other public agencies in fiscal year 2015-16.

Also, on February 20, 2014, the PERS Board approved new demographic assumptions reflecting (i) expected longer life spans of public agency employees and related increases in costs for the PERS system and (ii) trends of higher rates of retirement for certain public agency employee classes, including police officers and firefighters. The new actuarial assumptions were first reflected in the Schools Pool in the June 30, 2015 actuarial valuation. The increase in liability due to the new assumptions will be amortized over 20 years with increases phased in over five years, beginning with the contribution requirement for fiscal year 2016-17. The new demographic assumptions affect the State, K-14 school districts and all other public agencies.

The PERS Board is required to undertake an experience study every four years under its Actuarial Assumptions Policy and State law. As a result of the most recent experience study, on December 20, 2017, the PERS Board approved new actuarial assumptions, including (i) lowering the inflation rate to 2.625% for the June 30, 2018 actuarial valuation and to 2.50% for the June 30, 2019 actuarial valuation, (ii) lowering the payroll growth rate to 2.875% for the June 30, 2018 actuarial valuation and 2.75% for the June 30, 2019 actuarial valuation, and (iii) certain changes to demographic assumptions relating to the salary scale for most constituent groups, and modifications to the mortality, retirement, and disability retirement rates.

On February 14, 2018, the PERS Board approved a new actuarial amortization policy with an effective date for actuarial valuations beginning on or after June 30, 2019, which includes (i) shortening the period over which actuarial gains and losses are amortized from 30 years to 20 years, (ii) requiring that amortization payments for all unfunded accrued liability bases established after the effective date be computed to remain a level dollar amount throughout the amortization period, (iii) removing the 5-year ramp-up and ramp-down on unfunded accrued liability bases attributable to assumptions changes and non-investment gains/losses established on or after the effective date and (iv) removing the 5-year ramp-down on investment gains/losses established after the effective date. While PERS expects that reducing the amortization period for certain sources of unfunded liability will increase future average funding ratios, provide faster recovery of funded status following market downturns, decrease expected cumulative contributions, and mitigate concerns over intergenerational equity, such changes may result in increases in future employer contribution rates.

On April 21, 2020, the PERS Board established the employer contribution rates for fiscal year 2020-21 and released certain information from the Schools Pool Actuarial Valuation as of June 30, 2019, ahead of its release date in the latter half of 2020. From June 30, 2018 to June 30, 2019 the funded status for the Schools Pool decreased by 1.9% (from 70.4% to 68.5%); mainly due to the reduction in the discount rate from 7.25% to 7.00% and investment return in 2018-19 being lower than expected. The funded status as of June 30, 2019 does not reflect the State's additional payment of \$660 million that was made pursuant to SB 90, since PERS received the payment in July 2019. PERS attributes the decline in the funded status over the last five years to recent investment losses in excess of investment gains, adoption of new assumptions, both demographic and economic, lowering of the discount rate, and negative amortization.

Assuming all actuarial assumptions are realized, including investment return of 7% in fiscal year 2019-20, that no changes to assumptions, methods of benefits will occur during the projection period, along with the expected reductions in normal cost due to the continuing transition of active members from those employees hired prior to the Implementation Date (defined below), to those hired after such date, the contribution rate was projected to increase annually, resulting in a projected 26.2% employer contribution rate for fiscal year 2026-27. As of the April 21, 2020, PERS reported that the year to date return for the 2019-20 fiscal year was well below the 7% assumed return.

The District can make no representations regarding the future program liabilities of STRS, or whether the District will be required to make additional contributions to STRS in the future above those amounts required under AB 1469. The District can also provide no assurances that the District's required contributions to PERS will not increase in the future.

California Public Employees' Pension Reform Act of 2013. On September 12, 2012, the Governor signed into law the California Public Employees' Pension Reform Act of 2013 (the "Reform Act"), which makes changes to both STRS and PERS, most substantially affecting new employees hired after January 1, 2013 (the "Implementation Date"). For STRS participants hired after the Implementation Date, the Reform Act changes the normal retirement age by increasing the eligibility for the 2% age factor (the age factor is the percent of final compensation to which an employee is entitled 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. Similarly, for non-safety PERS participants hired after the Implementation Date, the Reform Act changes the normal retirement age by increasing the eligibility for the 2% age factor from age 55 to 62 and increases the eligibility requirement for the maximum age factor of 2.5% to age 67. Among the other changes to PERS and STRS, the Reform Act also: (i) requires all new participants enrolled in PERS and STRS after the Implementation Date to contribute at least 50% of the total annual normal cost of their pension benefit each year as determined by an actuary, (ii) requires STRS and PERS 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 (previously 12 months for STRS members who retire with 25 years of service), and (iii) caps "pensionable compensation" for new participants enrolled after the Implementation Date at 100% of the federal Social Security contribution (to be adjusted annually based on changes to the Consumer Price Index for all Urban Consumers) and benefit base for members participating in Social Security or 120% for members not participating in social security (to be adjusted annually based on changes to the Consumer Price Index for all Urban Consumers), while excluding previously allowed forms of compensation under the formula such as payments for unused vacation, annual leave, personal leave, sick leave, or compensatory time off.

GASB Statement Nos. 67 and 68. On June 25, 2012, GASB approved Statements Nos. 67 and 68 ("Statements") with respect to pension accounting and financial reporting standards for state and local governments and pension plans. The new Statements, No. 67 and No. 68, replace GASB Statement No. 27 and most of Statements No. 25 and No. 50. The changes impact the accounting treatment of pension plans in which state and local governments participate. Major changes include: (1) the inclusion of unfunded pension liabilities on the government's balance sheet (currently, such unfunded liabilities are typically included as notes to the government's financial statements); (2) more components of full pension costs being shown as expenses regardless of actual contribution levels; (3) lower actuarial discount rates being required to be used for underfunded plans in certain cases for purposes of the financial statements; (4) closed amortization periods for unfunded liabilities being required to be used for certain purposes of the financial statements; and (5) the difference between expected and actual investment returns being recognized over a closed five-year smoothing period. In addition, according to GASB, Statement No. 68 means that, for pensions within the scope of the Statement, a cost-sharing employer that does not have a special funding situation is required to recognize a net pension liability, deferred outflows of resources,

deferred inflows of resources related to pensions and pension expense based on its proportionate share of the net pension liability for benefits provided through the pension plan. Because the accounting standards do not require changes in funding policies, the full extent of the effect of the new standards on the District is not known at this time. The reporting requirements for pension plans took effect for the fiscal year beginning July 1, 2013 and the reporting requirements for government employers, including the District, took effect for the fiscal year beginning July 1, 2014.

District Net Pension Liabilities. The District's net pension liability for each of STRS and PERS is measured as the proportionate share of the net pension liability. As of June 30, 2020, the District reported net pension liabilities for its proportionate shares of the net pension liability of each plan as follows:

<u>Pension Plan</u>	<u>Proportionate Share of Net Pension Liability</u>
STRS	\$116,366,979
PERS	<u>\$41,047,346</u>
Total Net Pension Liability	\$157,414,325

For more information, see Note N to the Audited Financial Statements of the District for the Fiscal Year Ended June 30, 2020, attached hereto as Appendix B.

Post-Employment Benefits

In addition to the pension benefits described above, the District administers a single-employer healthcare plan (the "OPEB Plan") that provides medical benefits to eligible retirees and their eligible dependents to age 65. To be eligible, a retiree must retire from the District with at least 10 years of eligible service. The District's contribution for medical coverage is 100% of the cost for retiree-only medical coverage, up to a maximum based on the highest employee-only medical premium in effect in the year of retirement. The retiree is responsible for any cost above the maximum or for cost associated with the election of dependent medical coverage and/or dental coverage. As of June 30, 2020, the OPEB Plan membership consisted of approximately 1,015 eligible active employees and 75 eligible retirees.

For the year ended June 30, 2020 the District recognized OPEB expense of \$3,288,568. As of June 30, 2020, the District's total liability with respect to the OPEB Plan was \$32,695,587. For additional information, see Note O to the Audited Financial Statements of the District for the Fiscal Year Ended June 30, 2020, attached hereto as Appendix B.

Joint Powers Arrangements

Self Insurance. The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is self-insured through the San Diego County Schools and Imperial County Schools Risk Management Joint Powers Authority ("SDCSR"), a joint powers authority that provides workers' compensation insurance, general liability, property, automobile and other miscellaneous coverage. Under this program SDCSR provides coverage through a Workers' Compensation Fund. The District receives user charges based upon each member's respective covered payroll. Coverage is provided for workers compensation with \$100,000 per occurrence being self-funded. Costs above the first \$100,000 are covered by an excess insurance policy of up to statutory limits. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The District receives property/casualty loss and general liability insurance coverage through SDCSR. A \$5,000,000 insurance policy is in effect with a deductible per occurrence of up to \$25,000 and a \$100,000 self-insured retention. The SDCSR pool covers losses in excess of the self-insured

retention up to \$500,000. The next \$4.5 million is covered by an excess insurance policy through a commercial carrier. The Schools Excess Liability Fund then provides an additional \$50,000,000 of coverage. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

Fringe Benefits. The District provides certain employee fringe benefits through participation in the San Diego County Schools Fringe Benefit Consortium (the “SDCSFBC”), a joint powers authority that offers dental, health and welfare, and vision benefits to its member school districts and charter schools. The District provides dental and vision benefits to certain employees through the SDCSFBC.

Joint Powers Authorities. The San Dieguito Public Facilities Authority (the “Public Facilities Authority”) was formed pursuant to a joint powers agreement dated October 22, 1998, between the District and Community Facilities District No. 94-1 of the District, and under the provisions of Articles 1 through 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the California Government Code (the “Act”).

The San Dieguito School Facilities Financing Authority (the “School Facilities Financing Authority”) was formed pursuant to a joint powers agreement dated September 15, 2016, between the District and the California Statewide Communities Development Authority, and under the provisions of the Act.

Each of the Public Facilities Authority and the School Facilities Financing Authority has served as the issuer of certain debt obligations related to the District. See “DISTRICT FINANCIAL INFORMATION – District Debt Structure” herein. Each of the Public Facilities Authority and the School Facilities Financing Authority is treated as a blended component unit of the District in its audited financial statements. See Note A to the Audited Financial Statements of the District for the Fiscal Year Ended June 30, 2020 attached as Appendix B hereto.

In addition to the Public Facilities Authority and the School Facilities Financing Authority, as noted above the District participates in SDCSRM and SDSCFBC. The relationship between the District and each of SDCSRM and SDSCFBC is such that neither joint powers authority is a component unit of the District for financial reporting purposes. Financial statements for each of SDCSRM and SDSCFBC are available from such respective entities.

SDCSRМ was created for the purpose of arranging for and providing various types of insurance for its member districts as requested. SDCSRМ is governed by a board consisting of a representative from each member district. The board of SDCSRМ controls the operations of SDCSRМ, including selection of arrangement and approval of operating budgets, independent of any influence by the member districts beyond their representation on the board. Each member district pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionate to their participation in SDCSRМ.

SDSCFBC was created for the purpose of arranging for and providing various types of fringe benefits to employees of its member districts and charter schools. SDSCFBC is governed by a board consisting of two representatives from each member. The board of SDSCFBC controls the operations of SDSCFBC, including selection of arrangement and approval of operating budgets, independent of any influence by the member districts beyond their representation on the board.

See Note Q to the Audited Financial Statements of the District for the Fiscal Year Ended June 30, 2020 attached as Appendix B hereto.

DISTRICT FINANCIAL INFORMATION

The information in this section concerning the District's general fund finances 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. The Bonds are payable from the proceeds of ad valorem taxes required to be levied by the County in an amount sufficient for the payment thereof. See "THE BONDS – Security and Sources of Payment" in the forepart of this Official Statement.

State Funding of Education

School district revenues consist primarily of guaranteed State moneys, local property taxes and funds received from the State in the form of categorical aid under ongoing programs of local assistance. All State aid is subject to the appropriation of funds in the State's annual budget.

Revenue Limit Funding. Previously, school districts operated under general purpose revenue limits established by the State Department of Education. In general, revenue limits were calculated for each school district by multiplying the average daily attendance ("ADA") for such district by a base revenue limit per unit of ADA. Revenue limit calculations were subject to adjustment in accordance with a number of factors designed to provide cost of living adjustments ("COLAs") and to equalize revenues among school districts of the same type. Funding of a school district's revenue limit was provided by a mix of local property taxes and State apportionments of basic and equalization aid. Beginning in fiscal year 2013-14, school districts have been funded based on uniform funding grants assigned to certain grade spans. See "– Local Control Funding Formula" herein.

Local Control Funding Formula. State Assembly Bill 97 (Stats. 2013, Chapter 47) ("AB 97"), as amended by Senate Bill 91 (Stats. 2013, Chapter 49) ("SB 91"), established the current system for funding school districts, charter schools and county offices of education.

The primary component of AB 97 was the implementation of the Local Control Funding Formula ("LCFF"), which replaced the revenue limit funding system for determining State apportionments, as well as the majority of categorical program funding. State allocations are now provided on the basis of target base funding grants per unit of ADA (a "Base Grant") assigned to each of four grade spans. Each Base Grant is subject to certain adjustments and add-ons, as discussed below. During the implementation period of the LCFF, an annual transition adjustment was calculated for each school district, equal to such district's proportionate share of appropriations included in the State budget to close the gap between the prior-year funding level and the target allocation following full implementation of the LCFF. In each year, school districts had the same proportion of their respective funding gaps closed, with dollar amounts varying depending on the size of a district's funding gap.

The Base Grants per unit of ADA for each grade span were originally as follows: (i) \$6,845 for grades K-3; (ii) \$6,947 for grades 4-6; (iii) \$7,154 for grades 7-8; and (iv) \$8,289 for grades 9-12. During the implementation period of the LCFF, Base Grants were required to be adjusted annually for COLAs by applying the implicit price deflator for government goods and services. The provision of COLAs is now subject to appropriation for such adjustment in the annual State budget. The differences among Base Grants are linked to differentials in statewide average revenue limit rates by district type, and are intended to recognize the generally higher costs of education at higher grade levels. See also "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING SCHOOL DISTRICT REVENUES AND APPROPRIATIONS – State Budget Measures" herein for the adjusted Base Grants provided by current State budgetary legislation.

The Base Grants for grades K-3 and 9-12 are subject to adjustments of 10.4% and 2.6%, respectively, to cover the costs of class size reduction in early grades and the provision of career technical education in high schools. Unless otherwise collectively bargained for, school districts serving students in grades K-3 must maintain an average class enrollment of 24 or fewer students in grades K-3 at each school site in order to continue receiving the adjustment to the K-3 Base Grant. Such school districts must also make progress towards this class size reduction goal in proportion to the growth in their funding over the implementation period. AB 97 also provides additional add-ons to school districts that received categorical block grant funding pursuant to the Targeted Instructional Improvement and Home-to-School Transportation programs during fiscal year 2012-13.

School districts that serve students of limited English proficiency (“EL” students), students from low income families that are eligible for free or reduced priced meals (“LI” students) and foster youth are eligible to receive additional funding grants. Enrollment counts are unduplicated, such that students may not be counted as both EL and LI (foster youth automatically meet the eligibility requirements for free or reduced priced meals). AB 97 authorizes a supplemental grant add-on (each, a “Supplemental Grant”) for school districts that serve EL/LI students, equal to 20% of the applicable Base Grant multiplied by such districts’ percentage of unduplicated EL/LI student enrollment. School districts whose EL/LI populations exceed 55% of their total enrollment are eligible for a concentration grant add-on (each, a “Concentration Grant”) equal to 50% of the applicable Base Grant multiplied by the percentage of such district’s unduplicated EL/LI student enrollment in excess of the 55% threshold.

The following table shows a breakdown of the District’s ADA by grade span, total enrollment, and the percentage of EL/LI student enrollment, for fiscal years 2012-13 through 2019-20.

ADA, ENROLLMENT AND EL/LI ENROLLMENT PERCENTAGE
Fiscal Years 2012-13 through 2020-21
San Dieguito Union High School District

Fiscal Year	Average Daily Attendance⁽¹⁾			Enrollment⁽²⁾	
	7-8	9-12	Total ADA	Total Enrollment	% of EL/LI Enrollment
2012-13	3,783	8,049	11,832	12,365	9.1%
2013-14	3,909	8,125	12,034	12,497	9.2
2014-15	3,935	8,183	12,119	12,645	9.0
2015-16	3,859	8,352	12,211	12,726	9.8
2016-17	3,935	8,466	12,401	12,951	9.8
2017-18	3,923	8,606	12,529	13,063	13.0
2018-19	4,050	8,565	12,615	13,128	13.3
2019-20	4,116	8,569	12,684	13,177	13.3
2020-21 ⁽³⁾⁽⁴⁾	4,116	8,569	12,684	13,001	13.3

(1) Except for fiscal year 2019-20, reflects ADA as of the second principal reporting period (P-2 ADA), ending on or before the last attendance month prior to April 15 of each school year. An attendance month is equal to each four-week period of instruction beginning with the first day of school for a particular school district.

(2) Reflects certified enrollment as of the fall census day (the first Wednesday in October), which is reported to the California Longitudinal Pupil Achievement Data System (“CALPADS”) in each school year and used to calculate each school district’s unduplicated EL/LI student enrollment. Adjustments may be made to the certified EL/LI counts by the California Department of Education. CALPADS figures exclude preschool and adult transitional students. For purposes of calculating Supplemental and Concentration Grants, a school district’s fiscal year 2013-14 percentage of unduplicated EL/LI students was expressed solely as a percentage of its total fiscal year 2013-14 total enrollment. For fiscal year 2014-15, the percentage of unduplicated EL/LI enrollment was based on the two-year average of EL/LI 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 is based on a rolling average of such district’s EL/LI enrollment for the then-current fiscal year and the two immediately preceding fiscal years.

(3) Projected, as of January 31, 2021.

(4) ADA for Fiscal Year 2020-21 reflects data for 2019-20 pursuant to the “hold harmless” ADA funding provision included as part of the State’s Fiscal Year 2020-21 budget. See “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING SCHOOL DISTRICT REVENUES AND APPROPRIATIONS – State Budget Measures – 2020-21 Budget.” The District’s actual ADA for Fiscal Year 2020-21 is projected to be _____ for grades 7-8 and _____ for grades 9-12 for a total of _____.

Source: *The District.*

For certain school districts that would have received greater funding levels under the prior revenue limit system, the LCFF provides for a permanent economic recovery target (“ERT”) add-on, equal to the difference between the revenue limit allocations such districts would have received under the prior system in fiscal year 2020-21, and the target LCFF allocations owed to such districts in the same year. To derive the projected funding levels, the LCFF assumes the discontinuance of deficit revenue limit funding, implementation of a 1.94% COLA in fiscal years 2014-15 through 2020-21, and restoration of categorical funding to pre-recession levels. The ERT add-on is paid incrementally over the LCFF implementation period.

The sum of a school district’s adjusted Base, Supplemental and Concentration Grants will be multiplied by such district’s P-2 ADA for the current or prior year, whichever is greater (with certain adjustments applicable to small school districts). This funding amount, together with any applicable ERT or categorical block grant add-ons, will yield a district’s total LCFF allocation. Generally, the amount of annual State apportionments received by a school district will amount to the difference between such total LCFF allocation and such district’s share of applicable local property taxes. Most school districts receive a significant portion of their funding from such State apportionments. As a result, decreases in State revenues may significantly affect appropriations made by the Legislature to such school districts.

Considerations Regarding COVID-19

An outbreak of disease or similar public health threat, such as the current coronavirus (“COVID-19”) outbreak, or fear of such an event, could have an adverse impact on the District’s financial condition and operating results.

The spread of COVID-19 is having significant negative impacts throughout the world, including in the District. The World Health Organization has declared the COVID-19 outbreak to be a pandemic, and states of emergency have been declared by the State and the United States. The purpose behind these declarations are to coordinate and formalize emergency actions and across federal, State and local governmental agencies, and to proactively prepare for a wider spread of the virus.

State law allows school districts to apply for a waiver to hold them harmless from the loss of LCFF funding based on attendance and state instructional time penalties when they are forced to close schools due to emergency conditions. In addition, the Governor has enacted Executive Order N-26-20 (“Executive Order N-26-20”), which (i) generally streamlines the process of applying for such waivers for closures related to COVID-19 and (ii) directs school districts to use LCFF apportionment to fund distance learning and high quality educational opportunities, provide school meals and, as practicable, arrange for the supervision of students during school hours.

On March 17, 2020, Senate Bill 89 (“SB 89”) and Senate Bill 117 (“SB 117”) were signed by the Governor, both of which took effect immediately. SB 89 amends the Budget Act of 2019 by appropriating \$500,000,000 from the State general fund for any purpose related to the Governor’s March 4, 2020 emergency proclamation. SB 117, among other things, (i) specifies that for school districts that comply with Executive Order N-26-20, the ADA reported to the State Department of Education for the second period and the annual period for apportionment purposes for the 2019-20 school year only includes all full school months from July 1, 2019 through February 29, 2020, (ii) prevents the loss of funding related to an instructional time penalty because of a school closed due to the COVID-19 by deeming the instructional days and minutes requirements to have been met during the period of time the school was closed due to COVID-19, (iii) requires a school district to be credited with the ADA it would have received had it been able to operate its After School Education and Safety Program during the time the school was closed due to COVID-19, and (iv) appropriates \$100,000,000 from the State general fund to the State Superintendent to be apportioned to certain local educational agencies for purposes of purchasing personal protective equipment, or paying for supplies and labor related to cleaning school sites.

On March 19, 2020, the Governor ordered all California residents to stay home or at their place of residence to protect the general health and well-being, except as needed to maintain continuity of 16 critical infrastructure sectors described therein (the “Stay Home Order”).

On March 27, 2020 the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”) was signed by the President of the United States. The CARES Act appropriates over \$2 trillion to, among other things, (i) provide cash payments to individuals, (ii) expand unemployment assistance and eligibility, (iii) provide emergency grants and loans for small businesses, (iv) provide loans and other assistance to corporations, including the airline industry, (v) provide funding for hospitals and community health centers, (vi) expand funding for safety net programs, including child nutrition programs, and (vii) provide aid to state and local governments.

To date there have been a number of confirmed cases of COVID-19 in the County and health officials are expecting the number of confirmed cases to grow. The COVID-19 outbreak has resulted in the imposition of restrictions on mass gatherings and widespread temporary closings of businesses, universities and schools (including the District’s schools). The U.S. is restricting certain non-US citizens

and permanent residents from entering the country. In addition, stock markets in the U.S. and globally have been volatile, with significant declines attributed to coronavirus concerns.

On June 29, 2020, Senate Bill 98 (“SB 98”), the education omnibus bill to the 2020-21 State Budget, was signed by the Governor, which took effect immediately. SB 98 provides that distance learning may be offered by a school district during the 2020-21 academic year on a local educational agency or schoolwide level as a result of an order or guidance from a State public health officer or a local public health officer or for pupils who are medically fragile or would be put at risk by in-person instruction, or who are self-quarantining because of exposure to COVID-19. SB 98 provides requirements for distance learning, including, but not limited to: (i) confirmation or provision of access for all pupils to connectivity and devices adequate to participate in the educational program and complete assigned work, (ii) content aligned to grade level standards that is provided at a level of quality and intellectual challenge substantially equivalent to in-person instruction, (iii) support for pupils who are not performing at grade level or need support in other areas, (iv) special education services, (v) designated and integrated instruction in English language development for English learners, and (vi) daily live interaction with certificated employees and peers. In addition, SB 98 provides that school districts will generally be funded based on ADA from the 2019-20 fiscal year, imposes limits on layoffs for certain classified and certificated employees during fiscal year 2020-21, suspends the annual instructional minutes requirement, and waives the requirement for adopting an LCAP or annual update to the LCAP for fiscal year 2020-21, while imposing a new requirement to adopt a learning continuity and attendance plan by September 30, 2020.

On August 28, 2020, the Governor released a revised system of guidelines for reopening – Blueprint for a Safer Economy (“Blueprint”). Blueprint assigns each of the State’s 58 counties into four color-coded tiers – purple, red, orange and yellow, in descending order of severity – based on the number of new daily cases of COVID-19 and the percentage of positive tests. Counties must remain in a tier for at least three weeks before advancing to the next one. To move forward, a county must meet the next tier’s criteria for two consecutive weeks. If a county’s case rate and positive rate fall into different tiers, the county remains in the stricter tier. School districts can reopen for limited in-person instruction once their county has been in the red tier (daily new cases of 4-7 per 100,000 people and 5-8% of positive tests) for at least two weeks. When they reopen, school districts must follow the guidelines for the reopening of schools and school based programs (the “Guidelines”), released by the Governor on July 17, 2020, as updated on August 3, 2020. Implementation of the Guidelines as part of a phased reopening will depend on local public health conditions, including community preparedness measures. In order to facilitate K-6 schools to open for in-person instruction under specified conditions, the local health department may grant a waiver allowing such school to forego following the Guidelines. The County is currently assigned to the purple tier as of March 1, 2021.

On November 19, 2020, the California Department of Public Health issued a limited Stay at Home order, effective November 21, 2020 for those counties under the purple tier of the Blueprint, requiring that all gatherings with members of other households and all activities conducted outside the residence, lodging, or temporary accommodation with members of other households cease between 10:00 p.m. PST and 5:00 a.m. PST, except for those activities associated with the operation, maintenance, or usage of critical infrastructure or required by law.

On December 3, 2020, the California Department of Public Health announced a Regional Stay at Home Order (the “Regional Stay at Home Order”), and a supplemental order, signed December 6, 2020, which divides the State into five regions (Northern California, Bay Area, Greater Sacramento, San Joaquin Valley, and Southern California), which will go into effect at 11:59 PM the day after a region has been announced to have less than 15% ICU availability. The supplemental order clarifies retail operations and goes into effect immediately. The orders prohibit private gatherings of any size, close sector operations except for critical infrastructure and retail, and require 100% masking and physical distancing in all others.

Guidance related to schools remains in effect and unchanged. Schools that have reopened for in-person instruction may remain open, and schools may continue to bring students back for in-person instruction under the existing elementary school waiver process or cohort guidance provided by the California Department of Public Health. On January 25, 2021, the Regional Stay at Home Order was lifted and counties will return to the Blueprint for guidelines.

On December 27, 2020, the COVID-19 Economic Relief Bill (the “Relief Bill”) was signed by the President of the United States. The Relief Bill appropriates over \$900 billion to, among other things, provide another round of (i) direct payments to individuals, (ii) enhanced unemployment benefits, (iii) education funding, and (iv) aid to sectors and industries determined to be most affected by the pandemic. No additional state and local aid was provided by the Relief Bill, but the deadline by which funding provided by the CARES Act is to be spent was extended to December 31, 2021.

As a result of the outbreak of COVID-19, the District closed its schools for in-person learning for the remainder of the 2019-20 school year effective March 13, 2020 and began instruction through distance learning. The District opened the 2020-21 school year in an all distance learning environment. Effective March 16, 2021, the District began offering all students the opportunity to attend school for in-person instruction one day per week. On March 22, 2021, the District began offering all students the opportunity to attend school for in-person instruction two days per week. On March 29, 2021, the District’s Board of Trustees adopted a resolution providing, inter alia, that: (a) effective April 12, 2021, the District will provide all students the opportunity to attend school for in-person instruction four days per week and will not decrease the number of daily in-person instructional minutes from the amount then being offered to students; (b) the District will continue to offer students the option of distance learning for the remainder of the 2020-21 school year; and (c) effective at the beginning of the 2021-22 school year, the District will offer in-person instruction five days a week.

The District will continue to evaluate the State’s school reopening guidelines and to consult with local health officials and the State’s school reopening guidelines in implementing the District’s plans for the 2021-22 academic year.

Potential impacts to the District associated with the COVID-19 outbreak include, but are not limited to, increasing costs and challenges relating to establishing distance learning programs or other measures to permit instruction while schools remain closed, disruption of the regional and local economy with corresponding decreases in tax revenues, including property tax revenue, sales tax revenue and other revenues, increases in tax delinquencies, potential declines in property values, and decreases in new home sales, and real estate development. The economic consequences and the declines in the U.S. and global stock markets resulting from the spread of COVID-19, and responses thereto by local, State, and the federal governments, could have a material impact on the investments in the State pension trusts, which could materially increase the unfunded actuarial accrued liability of the STRS Defined Benefit Program and PERS Schools Pool, which, in turn, could result in material changes to the District’s required contribution rates in future fiscal years. See “DISTRICT GENERAL INFORMATION – State Retirement Systems.

The District has received \$221,644 through SB 117 and \$8,497,006 through the CARES Act thus far, to offset increased costs due to COVID-19. The District expects to receive an additional \$17,794,645 of one-time funding related to COVID-19.

The COVID-19 outbreak is ongoing, and the ultimate geographic spread of the virus, the duration and severity of the outbreak, and the economic and other of actions that may be taken by governmental authorities to contain the outbreak or to treat its impact are uncertain. Additional information with respect to events surrounding the outbreak of COVID-19 and responses thereto can be found on State and local government websites, including but not limited to: San Diego County’s Health & Human Services Agency

(<https://www.sandiegocounty.gov/hhsa/>), the Governor's office (<http://www.gov.ca.gov>) and the California Department of Public Health (<https://covid19.ca.gov/>). The District has not incorporated by reference the information on such websites, and the District does not assume any responsibility for the accuracy of the information on such websites.

The ultimate impact of COVID-19 on the District's operations and finances is unknown. There can be no assurances that the spread of COVID-19, or the responses thereto by local, State, or the federal government, will not materially adversely impact the local, state and national economies or the assessed valuation of property within the District, or adversely impact enrollment or ADA within the District and, notwithstanding SB 117 or the Blueprint, materially adversely impact the financial condition or operations of the District. See also "TAX BASE FOR REPAYMENT OF THE BONDS – Assessed Valuations" in the forepart of this Official Statement.

Basic Aid Districts. Certain schools districts, known as "basic aid" or "community funded" districts, have allocable local property tax collections that equal or exceed such districts' total LCFF allocation, and result in the receipt of no State apportionment aid. Basic aid school districts receive only special categorical funding, which is deemed to satisfy the "basic aid" requirement of \$120 per student per year guaranteed by Article IX, Section 6 of the State Constitution. The implication for basic aid districts is that the legislatively determined allocations to school districts, and other politically determined factors, are less significant in determining their primary funding sources. Rather, property tax growth and the local economy are the primary determinants.

The District has, in the past, been classified as a basic aid district, because local property taxes collected and inuring to the District exceeded the amounts that would have been funded under the LCFF (or revenue limit funding in prior years) and otherwise provided by the State. The District became a basic aid district in Fiscal Year 2008-09, following State funding cuts to the then-applicable revenue limit formulation for school funding and remained a basic aid district until Fiscal Year 2014-15. Although the District has not been a basic aid district in recent years, the District continues to have an extraordinarily strong tax base, as local property tax collections are projected to constitute 98% of LCFF sources (and 76% of total General Fund revenue) in the current fiscal year.

Depending on the rate of growth in local property tax revenue, the District could transition back to a basic aid district. State aid is based primarily on average daily attendance and other appropriations. Under the current State funding formulas, if local taxes do not provide money equal to the funded LCFF, the State will make up the difference through State funding.

Accountability. The State Board of Education has adopted regulations regarding the expenditure of supplemental and concentration funding. These regulations include a requirement that school districts increase or improve services for EL/LI students in proportion to the increase in funds apportioned to such districts on the basis of the number and concentration of such EL/LI students, and detail the conditions under which school districts can use supplemental or concentration funding on a school-wide or district-wide basis.

School districts are also required to adopt local control and accountability plans ("LCAPs") disclosing annual goals for all students, as well as certain numerically significant student subgroups, to be achieved in eight areas of State priority identified by the LCFF. LCAPs may also specify additional local priorities. LCAPs must specify the actions to be taken to achieve each goal, including actions to correct identified deficiencies with regard to areas of State priority. LCAPs are required to be adopted every three years, beginning in fiscal year 2014-15, and updated annually thereafter. The State Board of Education has adopted a template LCAP for use by school districts.

Support and Intervention. AB 97, as amended by SB 91, established a new system of support and intervention to assist school districts meet the performance expectations outlined in their respective LCAPs. School districts must adopt their LCAPs (or annual updates thereto) in tandem with their annual operating budgets, and not later than five days thereafter submit such LCAPs or updates to their respective county superintendents of schools. On or before August 15 of each year, a county superintendent may seek clarification regarding the contents of a district's LCAP (or annual update thereto), and the district is required to respond to such a request within 15 days. Within 15 days of receiving such a response, the county superintendent can submit non-binding recommendations for amending the LCAP or annual update, and such recommendations must be considered by the respective school district at a public hearing within 15 days. A district's LCAP or annual update must be approved by the county superintendent by October 8 of each year if the superintendent determines that (i) the LCAP or annual update adheres to the State template, and (ii) the district's budgeted expenditures are sufficient to implement the actions and strategies outlined in the LCAP.

A school district is required to receive additional support if its respective LCAP or annual update thereto is not approved, if the district requests technical assistance from its respective county superintendent, or if the district does not improve student achievement across more than one State priority for one or more student subgroups. Such support can include a review of a district's strengths and weaknesses in the eight State priority areas, or the assignment of an academic expert to assist the district identify and implement programs designed to improve outcomes. Assistance may be provided by the California Collaborative for Educational Excellence, a State agency created by the LCFF and charged with assisting school districts achieve the goals set forth in their LCAPs. The State Board of Education has developed rubrics to assess school district performance and the need for support and intervention.

The State Superintendent of Public Instruction (the "State Superintendent") is further authorized, with the approval of the State Board of Education, to intervene in the management of persistently underperforming school districts. The State Superintendent may intervene directly or assign an academic trustee to act on his or her behalf. In so doing, the State Superintendent is authorized to (i) modify a district's LCAP, (ii) impose budget revisions designed to improve student outcomes, and (iii) stay or rescind actions of the local governing board that would prevent such district from improving student outcomes; provided, however, that the State Superintendent is not authorized to rescind an action required by a local collective bargaining agreement.

Other State Sources. In addition to State allocations determined pursuant to the LCFF, the District receives other State revenues consisting primarily of restricted revenues designed to implement State mandated programs. Beginning in fiscal year 2013-14, categorical spending restrictions associated with a majority of State mandated programs were eliminated, and funding for these programs was folded into the LCFF. Categorical funding for certain programs was excluded from the LCFF, and school districts will continue to receive restricted State revenues to fund these programs.

Other Revenue Sources

Federal and Local Sources. The federal government provides funding for several of the District's programs, including special education programs, programs under the No Child Left Behind Act, and specialized programs such as Drug Free Schools, Innovative Strategies, and Vocational & Applied Technology. In addition, the District receives additional local revenues beyond local property tax collections, such as leases and rentals, interest earnings, interagency services, developer fees and other local sources.

Dissolution of Redevelopment Agencies

On December 30, 2011, the State Supreme Court issued its decision in the case of *California Redevelopment Association v. Matosantos* (“*Matosantos*”), finding ABx1 26, a trailer bill to the 2011-12 State budget, to be constitutional. As a result, all redevelopment agencies in the State ceased to exist as a matter of law on February 1, 2012.

ABx1 26 was modified by Assembly Bill No. 1484 (Chapter 26, Statutes of 2011-12) (“AB 1484”), which, together with ABx1 26, is referred to herein as the “Dissolution Act.” The Dissolution Act provides that all rights, powers, duties and obligations of a redevelopment agency under the California Community Redevelopment Law that have not been repealed, restricted or revised pursuant to ABx1 26 will be vested in a successor agency, generally the county or city that authorized the creation of the redevelopment agency (each, a “Successor Agency”). All property tax revenues that would have been allocated to a redevelopment agency, less the corresponding county auditor-controller’s cost to administer the allocation of property tax revenues, are now allocated to a corresponding Redevelopment Property Tax Trust Fund (“Trust Fund”), to be used for the payment of pass-through payments to local taxing entities, and thereafter to bonds of the former redevelopment agency and any “enforceable obligations” of the Successor Agency, as well as to pay certain administrative costs. The Dissolution Act defines “enforceable obligations” to include bonds, loans, legally required payments, judgments or settlements, legal binding and enforceable obligations, and certain other obligations.

Among the various types of enforceable obligations, the first priority for payment is tax allocation bonds issued by the former redevelopment agency; second is revenue bonds, which may have been issued by the host city, but only where the tax increment revenues were pledged for repayment and only where other pledged revenues are insufficient to make scheduled debt service payments; third is administrative costs of the Successor Agency, equal to at least \$250,000 in any year, unless the oversight board reduces such amount for any fiscal year or a lesser amount is agreed to by the Successor Agency; then, fourth is tax revenues in the Trust Fund in excess of such amounts, if any, to be allocated as residual distributions to local taxing entities in the same proportions as other tax revenues. Moreover, all unencumbered cash and other assets of former redevelopment agencies will also be allocated to local taxing entities in the same proportions as tax revenues. Notwithstanding the foregoing portion of this paragraph, the order of payment is subject to modification in the event a Successor Agency timely reports to the Controller and the Department of Finance that application of the foregoing will leave the Successor Agency with amounts insufficient to make scheduled payments on enforceable obligations. If the county auditor-controller verifies that the Successor Agency will have insufficient amounts to make scheduled payments on enforceable obligations, it shall report its findings to the Controller. If the Controller agrees there are insufficient funds to pay scheduled payments on enforceable obligations, the amount of such deficiency shall be deducted from the amount remaining to be distributed to taxing agencies, as described as the fourth distribution above, then from amounts available to the Successor Agency to defray administrative costs. In addition, if a taxing agency entered into an agreement pursuant to California Health and Safety Code Section 33401 for payments from a redevelopment agency under which the payments were to be subordinated to certain obligations of the redevelopment agency, such subordination provisions shall continue to be given effect.

As noted above, the Dissolution Act expressly provides for continuation of pass-through payments to local taxing entities. Per statute, 100% of contractual and statutory two percent pass-throughs, and 56.7% of statutory pass-throughs authorized under the Community Redevelopment Law Reform Act of 1993 (AB 1290, Chapter 942, Statutes of 1993) (“AB 1290”), are restricted to educational facilities without offset against revenue limit apportionments by the State. Only 43.3% of AB 1290 pass-throughs are offset against State aid so long as the District uses the moneys received for land acquisition, facility construction,

reconstruction, or remodeling, or deferred maintenance as provided under California Education Code Section 42238(h).

ABx1 26 states that in the future, pass-throughs shall be made in the amount “which would have been received had the redevelopment agency existed at that time,” and that the County Auditor-Controller shall “determine the amount of property taxes that would have been allocated to each redevelopment agency had the redevelopment agency not been dissolved pursuant to the operation of [ABx1 26] using current assessed values and pursuant to statutory [pass-through] formulas and contractual agreements with other taxing agencies.”

Successor Agencies continue to operate until all enforceable obligations have been satisfied and all remaining assets of the Successor Agency have been disposed of. AB 1484 provides that once the debt of the Successor Agency is paid off and remaining assets have been disposed of, the Successor Agency shall terminate its existence and all pass-through payment obligations shall cease.

The District can make no representations as to the extent to which its apportionments from the State may be offset by the future receipt of residual distributions or from unencumbered cash and assets of former redevelopment agencies or any other surplus property tax revenues pursuant to the Dissolution Act.

Accounting Practices

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

The District’s expenditures are accrued at the end of the fiscal year to reflect the receipt of goods and services in that year. Revenues generally are recorded on a cash basis, except for items that are susceptible to accrual (measurable and/or available to finance operations). Current taxes are considered susceptible to accrual. Delinquent taxes not received after the fiscal year end are not recorded as revenue until received. Revenues from specific state and federally funded projects are recognized when qualified expenditures have been incurred. State block grant apportionments are accrued to the extent that they are measurable and predictable. The State Department of Education sends the District updated information from time to time explaining the acceptable accounting treatment of revenue and expenditure categories.

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

Financial Statements

The District’s general fund finances the legally authorized activities of the District for which restricted funds are not provided. General fund revenues are derived from such sources as State school fund apportionments, taxes, use of money and property, and aid from other governmental agencies. Audited financial statements of the District for the fiscal year ended June 30, 2019, and prior fiscal years are on file with the District and available for public inspection at the Office of the Superintendent of the San Dieguito Union High School District, 701 Encinitas Boulevard, Encinitas, California 92024. The Audited Financial Statements of the District for the Fiscal Year Ended June 30, 2020, are included in Appendix B hereto.

Comparative Financial Statements

The following table reflects the District's general fund revenues, expenditures and fund balances from fiscal year 2015-16 to fiscal year 2019-20.

AUDITED FINANCIAL STATEMENTS
Statement of Revenues, Expenditures and Changes in Fund
Balances – General Fund – Fiscal Years 2015-16 through 2019-20⁽¹⁾
San Dieguito Union High School District

	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
REVENUES					
LCFF Sources					
State Apportionment or State Aid	\$811,386	\$2,097,808	\$352,585	\$2,658,326	\$1,549,718
Education Protection Account Funds	2,443,494	2,481,470	2,506,336	2,522,854	2,540,680
Local Sources	93,665,578	99,482,163	105,146,360	111,140,668	116,936,815
Federal Revenue	4,432,599	4,163,847	3,794,025	3,678,501	4,334,801
Other State Revenue	16,257,334	15,373,247	13,571,420	21,343,648	13,155,012
Interest	--	--	--	--	1,286,653
Other Local Revenue	<u>9,643,955</u>	<u>10,232,433</u>	<u>9,933,657</u>	<u>9,493,315</u>	<u>9,653,523</u>
Total Revenues	127,254,346	133,830,968	135,304,383	150,837,312	\$149,457,202
EXPENDITURES					
Instruction	74,205,409	82,726,060	83,261,243	90,565,533	90,816,123
Instruction-Related Services	13,495,915	14,886,958	15,162,683	16,309,088	16,565,318
Pupil Services	13,386,094	14,821,383	14,404,791	15,268,307	15,034,435
Ancillary Services	2,692,285	2,849,991	3,038,242	3,298,299	2,853,199
General Administration	5,847,097	6,911,398	7,116,297	8,182,891	8,699,421
Plant Services	11,573,679	11,860,094	12,623,156	12,969,284	14,015,475
Other Outgo	927,214	973,304	779,233	979,346	694,571
Debt Issuance Costs					777,614
Capital Outlay	--	1,407,855	1,020,356	499,563	351,515
Debt Service:					
Principal	765,585	765,588	765,588	900,070	893,640
Interest	<u>822,221</u>	<u>822,197</u>	<u>822,150</u>	<u>845,633</u>	<u>840,182</u>
Total Expenditures	123,715,499	138,024,828	138,993,739	149,818,014	151,541,493
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,538,847	(4,193,860)	(3,689,356)	1,019,298	(2,084,291)
Other Financing Sources (Uses):					
Transfers In	765,589	1,426,017	765,589	4,904,312	768,931
Transfers Out	(30,000)	(60,604)	(211,039)	(3,668,585)	(625,826)
Proceeds from Sale of Bonds	--	--	--	--	--
Other Sources	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Other Financing Sources (Uses)	735,589	1,365,413	554,550	1,235,727	143,105
NET CHANGE IN FUND BALANCE	4,274,436	(2,828,447)	(3,134,806)	2,255,025	(1,941,186)
Fund Balance, July 1	<u>23,865,638</u>	<u>28,140,074</u>	<u>25,311,627</u>	<u>22,176,821</u>	<u>24,431,846</u>
Fund Balances, June 30	<u>\$28,140,074</u>	<u>\$25,311,627</u>	<u>\$22,176,821</u>	<u>\$24,431,846</u>	<u>\$22,490,660</u>

⁽¹⁾ For projected general fund revenues, expenditures and changes in fund balance for fiscal year 2020-21, see " – General Fund Budgets" below.
Source: The District.

Budget Process

State Budgeting Requirements. The District is required by provisions of the State Education Code to maintain a balanced budget each year, in which the sum of expenditures and the ending fund balance cannot exceed the sum of revenues and the carry-over fund balance from the previous year. The State Department of Education imposes a uniform budgeting and accounting format for school districts. The

budget process for school districts was substantially amended by Assembly Bill 1200 (“AB 1200”), which became State law on October 14, 1991. Portions of AB 1200 are summarized below. Additional amendments to the budget process were made by Assembly Bill 2585, effective as of September 9, 2014, including the elimination of the dual budget cycle option for school districts. All school districts must now be on a single budget cycle.

School districts must adopt a budget on or before July 1 of each year. The budget must be submitted to the county superintendent within five days of adoption or by July 1, whichever occurs first. The county superintendent will 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, and will determine if the budget allows the district to meet its current obligations, if the budget is consistent with a financial plan that will enable the district to meet its multi-year financial commitments, whether the budget includes the expenditures necessary to implement a local control and accountability plan, and whether the budget’s ending fund balance exceeds the minimum recommended reserve for economic uncertainties.

On or before August 15, the county superintendent will approve, conditionally approve or disapprove the adopted budget for each school district. Budgets will be disapproved if they fail the above standards. The district board must be notified by August 15 of the county superintendent’s recommendations for revision and reasons for the recommendations. The county superintendent may assign a fiscal advisor or appoint a committee to examine and comment on the superintendent’s recommendations. The committee must report its findings no later than August 20. Any recommendations made by the county superintendent must be made available by the district for public inspection. No later than September 22, the county superintendent must notify the State Superintendent of Public Instruction of all school districts whose budget may be disapproved.

For districts whose budgets have been disapproved, the district must revise and readopt its budget by September 8, reflecting changes in projected income and expense since July 1, including responding to the county superintendent’s recommendations. The county superintendent must determine if the budget conforms with the standards and criteria applicable to final district budgets and not later than October 8, will approve or disapprove the revised budgets. If the budget is disapproved, the county superintendent will call for the formation of a budget review committee pursuant to California Education Code Section 42127.1. No later than October 8, the county superintendent must notify the State Superintendent of Public Instruction of all school districts whose budget has been disapproved. Until a district’s budget is approved, the district will operate on the lesser of its proposed budget for the current fiscal year or the last budget adopted and reviewed for the prior fiscal year.

Interim Financial Reports. Under the provisions of AB 1200, each school district is required to file interim certifications with the county office of education as to its ability to meet its financial obligations for the remainder of the then-current fiscal year and, based on current forecasts, for the subsequent two fiscal years. The county office of education reviews the certification and issues either a positive, negative or qualified certification. A positive certification is assigned to any school district that will meet its financial obligations for the current fiscal year and subsequent two fiscal years. A negative certification is assigned to any school district that will be unable to meet its financial obligations for the remainder of the current fiscal year or subsequent fiscal year. A qualified certification is assigned to any school district that may not meet its financial obligations for the current fiscal year or two subsequent fiscal years.

Within the past five years, the District has submitted, and the County superintendent of schools has accepted, positive certifications on all of the District’s interim financial reports. The District has never had an adopted budget disapproved by the County superintendent of schools, and has never submitted or received a negative certification of an interim financial report pursuant to AB 1200.

General Fund Budgets

The District's general fund budgets for the fiscal years ending June 30, 2019, through June 30, 2021, actual results for the fiscal years ending June 30, 2019, and June 30, 2020, and projected actual results for the fiscal year ended June 30, 2021, are set forth in the following table.

GENERAL FUND BUDGET AND ACTUAL RESULTS FISCAL YEARS ENDING JUNE 30, 2019 THROUGH JUNE 30, 2021 San Diegoito Union High School District

	2018-19 Budget ⁽¹⁾	2018-19 Actual ⁽¹⁾	2019-20 Budget ⁽¹⁾	2019-20 Actual ⁽¹⁾	2020-21 Budget ⁽²⁾	2020-21 Projected Actual ⁽³⁾
REVENUES						
LCFF Sources:						
State Apportionment or State Aid	\$5,828,270	\$2,658,326	\$1,689,549	\$1,549,718	\$353,318	\$353,318
Education Protection Account Funds	2,526,000	2,522,854	2,527,200	2,540,680	2,538,054	2,538,054
Local Sources	107,322,122	111,140,668	116,309,594	116,936,815	122,186,208	122,186,208
Federal Revenue	3,796,592	3,678,501	3,829,292	4,334,801	11,480,753	11,480,753
Other State Revenue	15,185,044	21,343,648	11,225,862	13,155,012	13,527,798	13,527,798
Interest	--	--	--	1,173,867	--	--
Other Local Revenue	<u>6,263,647</u>	<u>9,436,961</u>	<u>7,855,167</u>	<u>9,653,523</u>	<u>8,781,635</u>	<u>8,781,635</u>
Total Revenues	140,921,675	150,780,958	143,436,664	149,344,416	158,867,766	158,867,766
EXPENDITURES						
Current:						
Certificated Salaries	70,838,410	70,426,191	71,366,368	73,831,222	75,305,963	75,305,963
Classified Salaries	20,649,797	19,697,606	20,868,600	21,260,061	21,982,850	21,982,850
Employee Benefits	32,655,249	38,829,809	34,965,729	36,278,045	35,815,948	35,815,948
Books and Supplies	4,233,780	3,673,656	3,432,751	3,024,477	11,578,881	11,578,881
Services and Other Operating Expenditures	14,409,684	14,446,811	14,462,125	14,462,408	16,536,309	16,536,309
Other Outgo	602,350	588,217	500,345	694,571	891,875	891,875
Direct Support/Indirect Costs	(155,000)	(89,542)	(157,212)	(94,629)	(108,000)	(108,000)
Capital Outlay	65,000	499,563	57,000	351,515	3,109,022	3,109,022
Debt Service:						
Principal	900,072	900,070	900,071	893,640	845,641	845,641
Interest	<u>845,722</u>	<u>845,633</u>	<u>845,722</u>	<u>840,182</u>	<u>900,071</u>	<u>900,071</u>
Total Expenditures	145,045,064	149,818,014	147,241,499	151,541,492	166,858,560	166,858,560
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,123,389)	962,944	(3,804,835)	(2,197,076)	(7,990,794)	(7,990,794)
Other Financing Sources (Uses):						
Transfers In	765,589	1,284,312	765,589	768,931	7,014,589	7,014,589
Transfers Out	<u>(355,682)</u>	<u>(3,668,585)</u>	<u>(395,640)</u>	<u>(625,826)</u>	<u>(1,784,161)</u>	<u>(1,784,161)</u>
Net Other Financing Sources (Uses)	409,907	(2,384,273)	369,949	143,105	5,230,428	5,230,428
NET CHANGE IN FUND BALANCE	(3,713,482)	(1,421,329)	(3,434,886)	(2,053,971)	(2,760,366)	(2,760,366)
Fund Balance, July 1	<u>19,633,717</u>	<u>19,633,717</u>	<u>18,212,388</u>	<u>18,212,388</u>	<u>16,158,417</u>	<u>16,158,417</u>
Fund Balances, June 30	<u>\$15,920,235</u>	<u>\$18,212,388</u>	<u>\$14,777,502</u>	<u>\$16,158,417</u>	<u>\$13,398,051</u>	<u>\$13,398,051</u>

⁽¹⁾ Original budgeted amounts and actual amounts from Required Supplementary Information in District audited financial reports.

⁽²⁾ Fiscal year 2020-21 adopted budget.

⁽³⁾ Projected fiscal year-end totals for fiscal year 2020-21, as of March 18, 2021.

Source: *The District*.

District Debt Structure

Short-Term Debt. Because District revenues from local property taxes and State categorical funds are received at irregular intervals throughout the year, while expenditures tend to be incurred on a regular monthly basis, the District finds it necessary to borrow for short-term cash needs by issuance of tax and

revenue anticipation notes. In 2020, the District elected to participate in the authorization and issuance of the County of San Diego and San Diego County School Districts Tax and Revenue Anticipation Note Program, Note Participations, Series 2020, resulting in the issuance on behalf of the District of an aggregate principal amount of \$11,000,000 of revenue anticipation notes (the “2020-21 TRANS”). The 2020-21 TRANS matured on February 1, 2021 and bore interest at a rate of 3.00%. Amounts for the full repayment of the 2020-21 TRANS were set aside as in January 2021. The 2020-21 TRANS were sold by the District to supplement the District’s cash flow. The District anticipates the issuance of additional tax and revenue anticipation notes for Fiscal Year 2021-22.

Schedule of Long-Term Obligations. A schedule of changes in the District’s long-term obligations for the year ended June 30, 2020, is shown below:

	Balance <u>July 1, 2019</u>	<u>Increases</u>	<u>Decreases</u>	Ending <u>Balance</u>	Due within <u>One Year</u>
General Obligation Bonds	\$348,570,227	\$145,285,000	\$137,443,012	\$356,412,215	\$6,235,928
State School Building Loan	583,909	--	326,973	256,936	256,936
Capital Leases	731,914	--	138,301	593,613	142,229
Lease Revenue Bonds	12,538,699	--	(27,329)	12,566,028	(27,329)
Special Tax Bonds ⁽¹⁾	106,019,618	--	2,019,847	103,999,771	3,219,847
Net Pension Liability ⁽²⁾	157,671,343	--	257,018	157,414,325	--
Net OPEB Liability ⁽³⁾	31,558,515	1,137,072	--	32,695,587	--
Compensated Absences ⁽⁴⁾	1,781,947	523,117	--	2,305,064	2,305,064
Total Governmental Activities	<u>\$659,456,172</u>	<u>\$146,945,189</u>	<u>\$140,157,822</u>	<u>\$666,243,539</u>	<u>\$12,132,675</u>

⁽¹⁾ Special Tax Bonds of community facilities districts of the District. Debt service on such Special Tax Bonds is paid from the proceeds of special taxes levied against taxable real property within the respective community facilities districts. See “TAX BASE FOR REPAYMENT OF THE BONDS – Statement of Direct and Overlapping Debt” in the forepart of this Official Statement and “ – Non-Obligatory Debt; Community Facilities Districts” below.

⁽²⁾ See “DISTRICT GENERAL INFORMATION – State Retirement Systems” herein.

⁽³⁾ See “DISTRICT GENERAL INFORMATION – Post-Employment Benefits” herein.

⁽⁴⁾ Includes accumulated employee vacation time. See “Auditor’s Results, Findings and Recommendations” in the audited financial statements of the District for the year ended June 30, 2020, attached hereto as Appendix B.

Source: *The District.*

General Obligation Bonds. The Proposition AA Authorization was approved on November 5, 2012. On April 11, 2013, the District issued an aggregate principal amount of \$160,000,000 of general obligation bonds pursuant to the Proposition AA Authorization, consisting of \$2,320,000 aggregate principal amount of 2013 General Obligation Bonds (Election of 2012), Series A-1 (Taxable) and \$157,680,000 principal amount of 2013 General Obligation Bonds (Election of 2012), Series A-2 (Tax-Exempt) (the “Series A-2”).

On April 29, 2015, the District issued an aggregate principal amount of \$117,040,000 of general obligation bonds pursuant to the Proposition AA Authorization, consisting of \$7,010,000 aggregate principal amount of 2015 General Obligation Bonds (Election of 2012), Series B-1 (Taxable) and \$110,030,000 principal amount of 2015 General Obligation Bonds (Election of 2012), Series B-2 (Tax-Exempt) (the “Series B-2”).

On July 14, 2016, the District issued an aggregate principal amount of \$62,000,000 of general obligation bonds pursuant to the Proposition AA Authorization, consisting of \$795,000 aggregate principal amount of 2016 General Obligation Bonds (Election of 2012) Series C-1 (Taxable) and \$61,205,000 principal amount of 2016 General Obligation Bonds (Election of 2012) Series C-2 (Tax-Exempt) (the “Series C-2”).

On May 31, 2018, the District issued an aggregate principal amount of \$62,000,000 of general obligation bonds pursuant to the Proposition AA Authorization, consisting of \$3,100,000 aggregate principal amount of 2018 General Obligation Bonds (Election of 2012) Series D-1 (Taxable) (the “Series D-1”) and \$21,900,000 principal amount of 2018 General Obligation Bonds (Election of 2012) Series D-2 (Tax-Exempt) (the “Series D-2”).

On May 12, 2020, the District issued an aggregate principal amount of \$145,285,000 aggregate principal amount 2020 General Obligation Refunding Bonds (Federally Taxable) (the “2020 Refunding Bonds”).

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The table below presents the annual debt service requirements for all of the District's outstanding general obligation bonded debt, including the Bonds.

GENERAL OBLIGATION BOND CONSOLIDATED DEBT SERVICE SCHEDULE
San Dieguito Union High School District

Year Ending (August 1)	Series A-2	Series B-2 ⁽¹⁾⁽²⁾	Series C-2 ⁽³⁾	Series D-2	2020 Refunding Bonds	Series E-1 Bonds	Series E-2 Bonds	2021 Refunding Bonds	Total Annual Debt Service
2021	\$2,766,600	\$4,179,400	\$1,991,975	\$3,280,600	\$5,269,044				
2022	3,174,000	4,179,400	1,991,975	727,400	5,271,366				
2023	3,599,750	4,179,400	1,991,975	727,400	5,271,425				
2024	4,042,500	4,179,400	3,346,975	727,400	5,269,273				
2025	--	4,179,400	3,552,613	727,400	9,768,145				
2026	--	4,179,400	4,049,488	727,400	9,934,350				
2027	--	6,904,400	1,761,200	727,400	10,222,405				
2028	--	7,400,400	1,761,200	727,400	10,396,949				
2029	--	7,837,200	1,761,200	727,400	10,673,431				
2030	--	8,051,200	2,326,200	727,400	11,198,989				
2031	--	8,265,400	2,558,600	727,400	11,755,460				
2032	--	8,469,200	2,770,800	727,400	12,335,381				
2033	--	8,687,400	3,003,200	727,400	12,946,941				
2034	--	8,903,800	3,194,600	727,400	13,528,167				
2035	--	9,122,800	3,401,200	727,400	14,207,292				
2036	--	9,340,375	2,272,000	727,400	14,928,956				
2037	--	9,564,600	2,395,000	727,400	15,679,415				
2038	--	9,791,600	2,521,350	727,400	6,171,120				
2039	--	27,452,800	2,658,050	727,400	--				
2040	--	15,300,000	15,534,650	727,400	--				
2041	--	--	30,916,900	727,400	--				
2042	--	--	--	18,912,400	--				
Totals ⁽⁴⁾	<u>\$13,582,850</u>	<u>\$170,167,575</u>	<u>\$95,761,151</u>	<u>\$36,741,000</u>	<u>\$184,828,109</u>				

⁽¹⁾ Includes the Prior Bonds.

⁽²⁾ Final maturity is February 1, 2040.

⁽³⁾ Final maturity is February 1, 2041.

⁽⁴⁾ Figures rounded.

Lease Revenue Bonds. In May 2010, the District entered into a facility lease agreement with the San Dieguito Public Facilities Authority (the “Public Facilities Authority”) to execute and deliver Lease Revenue Bonds, Series 2010A (Qualified School Construction Bonds - Direct Subsidy) in the amount of \$13,015,000 (the “2010A Lease Revenue Bonds”) with an interest rate of 6.459% for various capital projects and public school improvements, including the installation of solar power facilities at La Costa Canyon High School and the Canyon Crest Academy. The 2010A Lease Revenue Bonds are designated as qualified school construction bonds under Section 54F of the Code. Of the 6.459% per annum paid in interest on the 2010A Lease Revenue Bonds, 5.660% per annum was scheduled to be reimbursed by direct subsidy payments from the federal government pursuant to Section 6431 of the Code. However, pursuant to the federal Balanced Budget and Emergency Deficit Control Act of 1985, as amended, the subsidy paid was reduced. The subsidy payment will be decreased by 5.9% through September 30, 2020; effectively increasing the portion of the interest on the 2010A Lease Revenue Bonds that is paid by the District. The sequestration reduction rate will be applied unless Congress acts to intervene. Without Congressional intervention, the sequestration rate is subject to change in the following federal fiscal year. The District cannot predict whether or how subsequent sequestration actions may affect subsidy payments currently scheduled for receipt in future federal fiscal years.

Future Financings. The District may issue additional general obligation bonds and general obligation refunding bonds depending upon project needs and market conditions. The District may not issue general obligation bonds if the tax rate levied to meet the debt service requirements for general obligation bonds approved at a single election, such as the Proposition AA Authorization, is projected to exceed \$30 per year per \$100,000 of taxable property in accordance with Article XIII A of the State Constitution. See “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING SCHOOL DISTRICT REVENUES AND APPROPRIATIONS – Article XIII A of the California Constitution” and “– Proposition 39” herein.

Pursuant to the State Education Code, the District’s bonding capacity for general obligation bonds is 1.25% of the taxable property valuation of property within the District as of the last assessment roll. Prior to the issuance of the Bonds, the District had issued approximately \$364 million aggregate principal amount of general obligation bonds under the Proposition AA Authorization, of which approximately \$330 million is currently outstanding. See “TAX BASE FOR REPAYMENT OF THE BONDS – Assessed Valuations – Bonding Capacity” in the forepart of this Official Statement.

Non-Obligatory Debt; Community Facilities Districts. The District has established several Mello-Roos community facilities districts pursuant to the Mello-Roos Community Facilities District Act of 1982, as amended. Certain outstanding special tax bonds (the “Special Tax Bonds”) issued by these community facilities districts were acquired by the School Facilities Financing Authority and provide revenues to pay debt service on the School Facilities Financing Authority’s outstanding revenue bonds.

The annual payments for the Special Tax Bonds are secured solely by the special taxes levied on taxable property in the respective community facilities district and are not obligations of the District. See “TAX BASE FOR REPAYMENT OF THE BONDS – Statement of Direct and Overlapping Debt” in the forepart of this Official Statement. For additional information, see Note M to the Audited Financial Statements of the District for the Fiscal Year Ended June 30, 2020, attached hereto as Appendix B.

CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING SCHOOL DISTRICT REVENUES AND APPROPRIATIONS

Principal of and interest on the Bonds are payable from the proceeds of an ad valorem property tax levied by the County for the payment thereof. See “THE BONDS – Security and Sources of Payment” in the forepart of this Official Statement. Articles XIII A, XIII B, XIII C and XIII D of the California Constitution, Propositions 22, 26, 39, 46, 98, 111 and 1A, 1D and certain other provisions of law discussed below, are discussed in this section to describe the potential effect of these Constitutional and statutory measures on the ability of the County to levy taxes on behalf of the District and of the District to spend tax proceeds for operating and other purposes, and it should not be inferred from the inclusion of such materials that these laws impose any limitation on the ability of the County to levy property taxes for payment of the principal and interest on the Bonds. The ad valorem property tax levied by the County for payment of the Bonds was approved by the voters of the District in compliance with Article XIII A, Article XIII C, and all applicable laws.

Article XIII A of the California Constitution

Article XIII A (“Article XIII A”) of the State Constitution limits the amount of *ad valorem* property taxes on real property to 1% of “full cash value” as determined by the county assessor. Article XIII A defines “full cash value” to mean “the county assessor’s valuation of real property as shown on the 1975-76 bill under “full cash value,” or thereafter, the appraised value of real property when purchased, newly constructed or a change in ownership has occurred after the 1975 assessment,” subject to exemptions in certain circumstances of property transfer or reconstruction. Determined in this manner, the full cash value is also referred to as the “base year value.” The full cash value is subject to annual adjustment to reflect increases, not to exceed 2% for any year, or decreases in the consumer price index or comparable local data, or to reflect reductions in property value caused by damage, destruction or other factors.

Article XIII A has been amended to allow for temporary reductions of assessed value in instances where the fair market value of real property falls below the adjusted base year value described above. Proposition 8—approved by the voters in November of 1978—provides for the enrollment of the lesser of the base year value or the market value of real property, taking into account reductions in value due to damage, destruction, depreciation, obsolescence, removal of property, or other factors causing a similar decline. In these instances, the market value is required to be reviewed annually until the market value exceeds the adjusted base year value. Reductions in assessed value could result in a corresponding increase in the annual tax rate levied by the County to pay debt service on the Bonds. See “THE BONDS – Security and Sources of Payment” and “TAX BASE FOR REPAYMENT OF BONDS” in the forepart of this Official Statement.

Article XIII A requires a vote of two-thirds or more of the qualified electorate of a city, county, special district or other public agency to impose special taxes, while totally precluding the imposition of any additional *ad valorem* property, sales or transaction tax on real property. Article XIII A exempts from the 1% tax limitation any taxes above that level required to pay debt service (a) on any indebtedness approved by the voters prior to July 1, 1978, or (b) as the result of an amendment approved by State voters on June 3, 1986, on any bonded indebtedness approved by two-thirds or more of the votes cast by the voters for the acquisition or improvement of real property on or after July 1, 1978, or (c) on 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% or more of the votes cast on the proposition, but only if certain accountability measures are included in the proposition. The tax for payment of the Bonds falls within the exception described in (c) of the immediately preceding sentence. In addition, Article XIII A requires the approval of two-thirds or more of all members of the Legislature to change any State taxes for the purpose of increasing tax revenues.

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 relevant county and distributed according to a formula among taxing agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1979.

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

All taxable property value included in this Official Statement is shown at 100% of taxable value (unless noted differently) and all tax rates reflect the \$1 per \$100 of taxable value.

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

Proposition 50 and Proposition 171

On June 3, 1986, the voters of the State approved Proposition 50. Proposition 50 amends Section 2 of Article XIII A of the State Constitution to allow owners of property that was “substantially damaged or destroyed” by a disaster, as declared by the Governor (the “Damaged Property”), to transfer their existing base year value (the “Original Base Year Value”) to a comparable replacement property within the same county, which is acquired or constructed within five years after the disaster. At the time of such transfer, the Damaged Property will be reassessed at its full cash value immediately prior to damage or destruction (the “Original Cash Value”); however, such property will retain its base year value notwithstanding such a transfer. Property is substantially damaged or destroyed if either the land or the improvements sustain physical damage amounting to more than 50% of either the land or improvements full cash value immediately prior to the disaster. There is no filing deadline, but the assessor can only correct four years of assessments when the owner fails to file a claim within four years of acquiring a replacement property.

Under Proposition 50, the base year value of the replacement property (the “Replacement Base Year Value”) depends on the relation of the full cash value of the replacement property (the “Replacement Cash Value”) to the Original Cash Value: if the Replacement Cash Value exceeds 120% of the Original Cash Value, then the Replacement Base Year Value is calculated by combining the Original Base Year Value with such excessive Replacement Cash Value; if the Replacement Cash Value does not exceed 120% of the Original Cash Value, then the Replacement Base Year Value equals the Original Base Year Value; if the Replacement Cash Value is less than the Original Cash Value, then the Replacement Base Year Value equals the Replacement Cash Value. The replacement property must be comparable in size, utility, and function to the Damaged Property.

On November 2, 1993, the voters of the State approved Proposition 171. Proposition 171 amends subdivision (e) of Section 2 of Article XIII A of the State Constitution to allow owners of Damaged Property to transfer their Original Base Year Value to a “comparable replacement property” located within another county in the State, which is acquired or newly constructed within three years after the disaster.

Intra-county transfers under Proposition 171 are more restrictive than inter-county transfers under Proposition 50. For example, Proposition 171 (1) only applies to (a) structures that are owned and occupied by property owners as their principal place of residence and (b) land of a “reasonable size that is used as a

site for a residence;” (2) explicitly does not apply to property owned by firms, partnerships, associations, corporations, companies, or legal entities of any kind; (3) only applies to replacement property located in a county that adopted an ordinance allowing Proposition 171 transfers; (4) claims must be timely filed within three years of the date of purchase or completion of new construction; and (5) only applies to comparable replacement property, which has a full cash value that is of “equal or lesser value” than the Original Cash Value.

Within the context of Proposition 171, “equal or lesser value” means that the amount of the Replacement Cash Value does not exceed either (1) 105% of the Original Cash Value when the replacement property is acquired or constructed within one year of the destruction, (2) 110% of the Original Cash Value when the replacement property is acquired or constructed within two years of the destruction, or (3) 115% of the Original Cash Value when the replacement property is acquired or constructed within three years of the destruction.

Unitary Property

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

So long as the District is not a basic aid or community funded district, taxes lost through any reduction in assessed valuation will be compensated by the State as equalization aid under the State’s school financing formula. See “DISTRICT FINANCIAL INFORMATION – State Funding of Education” herein.

Article XIII B of the California Constitution

Article XIII B (“Article XIII B”) of the State Constitution, as subsequently amended by Propositions 98 and 111, respectively, limits the annual appropriations of the State and of any city, county, school district, authority or other political subdivision of the State to the level of appropriations of the particular governmental entity for the prior fiscal year, as adjusted for changes in the cost of living and in population and for transfers in the financial responsibility for providing services and for certain declared emergencies. As amended, Article XIII B defines:

- (a) “change in the cost of living” with respect to K-14 school districts to mean the percentage change in California per capita income from the preceding year, and
- (b) “change in population” with respect to a school district to mean the percentage change in the average daily attendance of the school district from the preceding fiscal year.

For fiscal years beginning on or after July 1, 1990, the appropriations limit of each entity of government shall be the appropriations limit for the 1986-87 fiscal year adjusted for the changes made from that fiscal year pursuant to the provisions of Article XIII B, as amended.

The appropriations of an entity of local government subject to Article XIII B limitations include the proceeds of taxes levied by or for that entity and the proceeds of certain state subventions to that entity. “Proceeds of taxes” include, but are not limited to, all tax revenues and the proceeds to the entity from

(a) regulatory licenses, user charges and user fees (but only to the extent that these proceeds exceed the reasonable costs in providing the regulation, product or service), and (b) the investment of tax revenues.

Appropriations subject to limitation do not include (a) refunds of taxes, (b) appropriations for bonded debt service such as the Bonds, (c) appropriations required to comply with certain mandates of the courts or the federal government, (d) appropriations of certain special districts, (e) appropriations for all qualified capital outlay projects as defined by the Legislature, (f) appropriations derived from certain fuel and vehicle taxes and (g) appropriations derived from certain taxes on tobacco products.

Article XIII B includes a requirement that all revenues received by an entity of government other than the State in a fiscal year and in the fiscal year immediately following it in excess of the amount permitted to be appropriated during that fiscal year and the fiscal year immediately following it shall be returned by a revision of tax rates or fee schedules within the next two subsequent fiscal years.

Article XIII B also includes a requirement that 50% of all revenues received by the State in a fiscal year and in the fiscal year immediately following it in excess of the amount permitted to be appropriated during that fiscal year and the fiscal year immediately following it shall be transferred and allocated to the State School Fund pursuant to Section 8.5 of Article XVI of the State Constitution. See “– Propositions 98 and 111” herein.

Article XIII C and Article XIII D of the California Constitution

On November 5, 1996, the voters of the State of California approved Proposition 218, popularly known as the “Right to Vote on Taxes Act.” Proposition 218 added to the California Constitution Articles XIII C and XIII D (respectively, “Article XIII C” and “Article XIII D”), which contain a number of provisions affecting the ability of local agencies, including school districts, to levy and collect both existing and future taxes, assessments, fees and charges.

According to the “Title and Summary” of Proposition 218 prepared by the California Attorney General, Proposition 218 limits “the authority of local governments to impose taxes and property-related assessments, fees and charges.” Among other things, Article 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 California 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 does not impose any taxes, assessments, or property-related fees or charges which are subject to the provisions of Proposition 218. It does, however, receive a portion of the basic 1% *ad valorem* property tax levied and collected by the County pursuant to Article XIII A of the California Constitution. The provisions of Proposition 218 may have an indirect effect on the District, such as by limiting or reducing the revenues otherwise available to other local governments whose boundaries encompass property located within the District thereby causing such local governments to reduce service levels and possibly adversely affecting the value of property within the District.

Proposition 26

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

Propositions 98 and 111

On November 8, 1988, California voters approved Proposition 98, a combined initiative constitutional amendment and statute called the “Classroom Instructional Improvement and Accountability Act” (the “Accountability Act”). Certain provisions of the Accountability Act were, however, modified by Proposition 111, discussed below, the provisions of which became effective on July 1, 1990. 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-14 school districts at a level equal to the greater of (a) the same percentage of State general fund revenues as the percentage appropriated to such districts in the 1986-87 fiscal year, or (b) the amount actually appropriated to such districts from the State general fund in the previous fiscal year, adjusted for increases in enrollment and changes in the cost of living. The Accountability Act permits the Legislature to suspend this formula for a one-year period.

The Accountability Act also changed how tax revenues in excess of the State appropriations limit are distributed. Any excess State tax revenues up to a specified amount, instead of being returned to taxpayers, is transferred to K-14 school districts. Any such transfer to K-14 school districts is excluded from the appropriations limit for K-14 school districts and the K-14 school district appropriations limit for the next year is automatically increased by the amount of such transfer. These additional moneys enter the base funding calculation for K-14 school districts for subsequent years, creating further pressure on other portions of the State budget, particularly if revenues decline in a year following an Article XIII B surplus. The maximum amount of excess tax revenues which may be transferred to K-14 school districts is 4% of the minimum State spending for education mandated by the Accountability Act.

Since the Accountability Act is unclear in some details, there can be no assurances that the Legislature or a court might not interpret the Accountability Act to require a different percentage of State general fund revenues to be allocated to K-14 school districts, or to apply the relevant percentage to the State’s budgets in a different way than is proposed in the Governor’s budget.

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

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

- a. Annual Adjustments to Spending Limit. The annual adjustments to the Article XIII B spending limit were liberalized to be more closely linked to the rate of economic growth. Instead of being tied to the Consumer Price Index, the “change in the cost of living” is now measured by the change in California per capita personal income. The definition of “change in population” specifies that a portion of the State’s spending limit is to be adjusted to reflect changes in school attendance.
- b. Treatment of Excess Tax Revenues. “Excess” tax revenues with respect to Article XIII B are now determined based on a two-year cycle, so that the State can avoid having to return to taxpayers excess tax revenues in one year if its appropriations in the next fiscal year are under its limit. In addition, the Proposition 98 provision regarding excess tax revenues was modified. After any two-year period, if there are excess State tax revenues, 50% of the excess are to be transferred to K-14 school districts with the balance returned to taxpayers; under prior law, 100% of excess State tax revenues went to K-14 school districts, but only up to a maximum of 4% of such districts’ minimum funding level. Also, reversing prior law, any excess State tax revenues transferred to K-14 school districts are not built into the school districts’ base expenditures for calculating their entitlement for State aid in the next year, and the State’s appropriations limit is not to be increased by this amount.
- c. Exclusions from Spending Limit. Two exceptions were added to the calculation of appropriations which are subject to the Article XIII B spending limit. First, there are excluded all appropriations for “qualified capital outlay projects” as defined by the Legislature. Second, there are excluded any increases in gasoline taxes above the 1990 level (then nine cents per gallon), sales and use taxes on such increment in gasoline taxes, and increases in receipts from vehicle weight fees above the levels in effect on January 1, 1990. These latter provisions were necessary to make effective the transportation funding package approved by the Legislature and the Governor, which was expected to raise over \$15 billion in additional taxes from 1990 through 2000 to fund transportation programs.
- d. Recalculation of Appropriations Limit. The Article XIII B appropriations limit for each unit of government, including the State, is to be recalculated beginning in fiscal year 1990-91. It is based on the actual limit for fiscal year 1986-87, adjusted forward to 1990-91 as if Proposition 111 had been in effect.
- e. School Funding Guarantee. There is a complex adjustment in the formula enacted in Proposition 98 which guarantees K-14 school districts a certain amount of State general fund revenues. Under prior law, K-14 school districts were guaranteed the greater of (1) 40.9% of State general fund revenues (the “first test”) or (2) the amount appropriated in the prior year adjusted for changes in the cost of living (measured as in Article XIII B by reference to per capita personal income) and enrollment (the “second test”). Under Proposition 111, K-14 school districts will receive the greater of (1) the first test, (2) the second test, or (3) a third test, which will replace the second test in any year when growth in per capita State general fund revenues from the prior year is less than the annual growth in California per capita personal income. Under the third test, K-14 school districts will

receive the amount appropriated in the prior year adjusted for change in enrollment and per capita State general fund revenues, plus an additional small adjustment factor. If the third test is used in any year, the difference between the third test and the second test will become a “credit” to schools which will be paid in future years when State general fund revenue growth exceeds personal income growth.

Proposition 39

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

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

Jarvis v. Connell

On May 29, 2002, the California Court of Appeal for the Second District decided the case of *Howard Jarvis Taxpayers Association, et al. v. Kathleen Connell* (as Controller of the State of California). The Court of Appeal held that either a final budget bill, an emergency appropriation, a self-executing authorization pursuant to State statutes (such as continuing appropriations) or the California Constitution or a federal mandate is necessary for the State Controller to disburse funds. The foregoing requirement could apply to amounts budgeted by the District as being received from the State. To the extent the holding in such case would apply to State payments reflected in the District’s budget, the requirement that there be either a final budget bill or an emergency appropriation may result in the delay of such payments to the District if such required legislative action is delayed, unless the payments are self-executing authorizations or are subject to a federal mandate. On May 1, 2003, the California Supreme Court upheld the holding of the Court of Appeal, stating that the Controller is not authorized under State law to disburse funds prior to the enactment of a budget or other proper appropriation, but under federal law, the Controller is required, notwithstanding a budget impasse and the limitations imposed by State law, to timely pay those State

employees who are subject to the minimum wage and overtime compensation provisions of the federal Fair Labor Standards Act.

Proposition 1A and Proposition 22

On November 2, 2004, California voters approved Proposition 1A, which amends the State Constitution to significantly reduce the State's authority over major local government revenue sources. Under Proposition 1A, the State cannot (i) reduce local sales tax rates or alter the method of allocating the revenue generated by such taxes, (ii) shift property taxes from local governments to schools or community colleges, (iii) change how property tax revenues are shared among local governments without two-third approval of both houses of the Legislature or (iv) decrease Vehicle License Fee revenues without providing local governments with equal replacement funding. Proposition 1A does allow the State to approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county. Proposition 1A also amends the State Constitution to require the State to suspend certain State laws creating mandates in any year that the State does not fully reimburse local governments for their costs to comply with the mandates. This provision does not apply to mandates relating to schools or community colleges or to those mandates relating to employee rights.

Proposition 22, The Local Taxpayer, Public Safety, and Transportation Protection Act, approved by the voters of the State on November 2, 2010, prohibits the State from enacting new laws that require redevelopment agencies to shift funds to schools or other agencies and eliminates the State's authority to shift property taxes temporarily during a severe financial hardship of the State. In addition, Proposition 22 restricts the State's authority to use State fuel tax revenues to pay debt service on state transportation bonds, to borrow or change the distribution of state fuel tax revenues, and to use vehicle license fee revenues to reimburse local governments for state mandated costs. Proposition 22 impacts resources in the State's general fund and transportation funds, the State's main funding source for schools and community colleges, as well as universities, prisons and health and social services programs. According to an analysis of Proposition 22 submitted by the Legislative Analyst's Office (the "LAO") on July 15, 2010, the expected reduction in resources available for the State to spend on these other programs as a consequence of the passage of Proposition 22 was expected to be approximately \$1 billion in fiscal year 2010-11, with an estimated immediate fiscal effect equal to approximately 1 percent of the State's total general fund spending. The longer-term effect of Proposition 22, according to the LAO analysis, was expected to be an increase in the State's general fund costs by approximately \$1 billion annually for several decades.

Proposition 30 and Proposition 55

On November 6, 2012, voters of the State approved the Temporary Taxes to Fund Education, Guaranteed Local Public Safety Funding, Initiative Constitutional Amendment (also known as "Proposition 30"), which temporarily increased the State Sales and Use Tax and personal income tax rates on higher incomes. For personal income taxes imposed beginning in the taxable year commencing January 1, 2012 and ending December 31, 2018, Proposition 30 increases the marginal personal income tax rate by: (i) 1% for taxable income over \$250,000 but less than \$300,001 for single filers (over \$500,000 but less than \$600,001 for joint filers and over \$340,000 but less than \$408,001 for head-of-household filers), (ii) 2% for taxable income over \$300,000 but less than \$500,001 for single filers (over \$600,000 but less than \$1,000,001 for joint filers and over \$408,000 but less than \$680,001 for head-of-household filers), and (iii) 3% for taxable income over \$500,000 for single filers (over \$1,000,000 for joint filers and over \$680,000 for head-of-household filers).

The California Children's Education and Health Care Protection Act of 2016 (also known as "Proposition 55") is a constitutional amendment approved by the voters of the State on November 8, 2016. Proposition 55 extends the increases to personal income tax rates for high-income taxpayers that were

approved as part of Proposition 30 through 2030. Proposition 55 did not extend the temporary State Sales and Use Tax rate increase enacted under Proposition 30, which expired as of January 1, 2017.

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

Proposition 2

On November 4, 2014, voters approved the Rainy Day Budget Stabilization Fund Act (also known as “Proposition 2”). Proposition 2 is a legislatively-referred constitutional amendment which makes certain changes to State budgeting practices, including substantially revising the conditions under which transfers are made to and from the State’s Budget Stabilization Account (the “BSA”) established by the California Balanced Budget Act of 2004 (also known as Proposition 58).

Under Proposition 2, and beginning in fiscal year 2015-16 and in each fiscal year thereafter, the State will generally be required to annually transfer to the BSA an amount equal to 1.5% of estimated State general fund revenues (the “Annual BSA Transfer”). Supplemental transfers to the BSA (a “Supplemental BSA Transfer”) are also required in any fiscal year in which the estimated State general fund revenues that are allocable to capital gains taxes exceed 8% of the total estimated general fund tax revenues. Such excess capital gains taxes—net of any portion thereof owed to K-14 school districts pursuant to Proposition 98—will be transferred to the BSA. Proposition 2 also increases the maximum size of the BSA to an amount equal to 10% of estimated State general fund revenues for any given fiscal year. In any fiscal year in which a required transfer to the BSA would result in an amount in excess of the 10% threshold, Proposition 2 requires such excess to be expended on State infrastructure, including deferred maintenance.

For the first 15-year period ending with the 2029-30 fiscal year, Proposition 2 provides that half of any required transfer to the BSA, either annual or supplemental, must be appropriated to reduce certain State liabilities, including making certain payments owed to K-14 school districts, repaying State interfund borrowing, reimbursing local governments for State mandated services, and reducing or prefunding accrued liabilities associated with State-level pension and retirement benefits. Following the initial 15-year period, the Governor and the Legislature are given discretion to apply up to half of any required transfer to the BSA to the reduction of such State liabilities. Any amount not applied towards such reduction must be transferred to the BSA or applied to infrastructure, as described above.

Proposition 2 changes the conditions under which the Governor and the Legislature may draw upon or reduce transfers to the BSA. The Governor does not retain unilateral discretion to suspend transfers to the BSA, nor does the Legislature retain discretion to transfer funds from the BSA for any reason, as

previously provided by law. Rather, the Governor must declare a “budget emergency,” defined as an emergency within the meaning of Article XIII B of the California Constitution or a determination that estimated resources are inadequate to fund State general fund expenditures, for the current or ensuing fiscal year, at a level equal to the highest level of State spending within the three immediately preceding fiscal years. Any such declaration must be followed by a legislative bill providing for a reduction or transfer. Draws on the BSA are limited to the amount necessary to address the budget emergency, and no draw in any fiscal year may exceed 50% of the funds on deposit in the BSA unless a budget emergency was declared in the preceding fiscal year.

Proposition 2 also requires the creation of the Public School System Stabilization Account (the “PSSSA”) into which transfers will be made in any fiscal year in which a Supplemental BSA Transfer is required (as described above). Such transfer will be equal to the portion of capital gains taxes above the 8% threshold that would otherwise be paid to K-14 school districts as part of the minimum funding guarantee. A transfer to the PSSSA will only be made if certain additional conditions are met, as follows: (i) the minimum funding guarantee was not suspended in the immediately preceding fiscal year, (ii) the operative Proposition 98 formula for the fiscal year in which a PSSSA transfer might be made is “Test 1,” (iii) no maintenance factor obligation is being created in the budgetary legislation for the fiscal year in which a PSSSA transfer might be made, (iv) all prior maintenance factor obligations have been fully repaid, and (v) the minimum funding guarantee for the fiscal year in which a PSSSA transfer might be made is higher than the immediately preceding fiscal year, as adjusted for ADA growth and cost of living. Proposition 2 caps the size of the PSSSA at 10% of the estimated minimum guarantee in any fiscal year, and any excess funds must be paid to K-14 school districts. Reductions to any required transfer to the PSSSA, or draws on the PSSSA, are subject to the same budget emergency requirements described above. However, Proposition 2 also mandates draws on the PSSSA in any fiscal year in which the estimated minimum funding guarantee is less than the prior year’s funding level, as adjusted for ADA growth and cost of living.

SB 858. Senate Bill 858 (“SB 858”) became effective upon the passage of Proposition 2. SB 858 includes provisions which could limit the amount of reserves that may be maintained by a school district in certain circumstances. Under SB 858, in any fiscal year immediately following a fiscal year in which the State has made a transfer into the PSSSA, 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 ADA 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 ADA 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 ADA of less than 400,000, is required to maintain a reserve for economic uncertainty in an amount equal to 3% of its general fund expenditures and other financing uses.

SB 751. Senate Bill 751 (“SB 751”), enacted on October 11, 2017, alters the reserve requirements imposed by SB 858. Under SB 751, in a fiscal year immediately after a fiscal year in which the amount of moneys in the PSSSA 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.

Proposition 51

The Kindergarten Through Community College Public Education Facilities Bond Act of 2016 (also known as Proposition 51) is a voter initiative that was approved by voters on November 8, 2016. Proposition 51 authorizes the sale and issuance by the State of \$9 billion in general obligation bonds for the new construction and modernization of K-14 facilities.

K-12 School Facilities. Proposition 51 includes \$3 billion for the new construction of K-12 facilities and an additional \$3 billion for the modernization of existing K-12 facilities. K-12 school districts will be required to pay for 50% of the new construction costs and 40% of the modernization costs with local revenues. If a school district lacks sufficient local funding, it may apply for additional State grant funding, up to 100% of the project costs. In addition, a total of \$1 billion will be available for the modernization and new construction of charter school facilities (\$500 million) and technical education facilities (\$500 million). Generally, 50% of modernization and new construction project costs for charter school and technical education facilities must come from local revenues. However, school districts or charter schools that cannot cover their local share for these two types of projects may apply for State loans. State loans must be repaid over a maximum of 30 years for charter school facilities and 15 years for career technical education facilities. For career technical education facilities, State grants are capped at \$3 million for a new facility and \$1.5 for a modernized facility. Charter schools must be deemed financially sound before project approval.

Community College Facilities. Proposition 51 includes \$2 billion for community college district facility projects, including buying land, constructing new buildings, modernizing existing buildings, and purchasing equipment. In order to receive funding, community college districts must submit project proposals to the Chancellor of the community college system, who then decides which projects to submit to the Legislature and Governor based on a scoring system that factors in the amount of local funds contributed to the project. The Governor and Legislature will select among eligible projects as part of the annual state budget process.

The District makes no representation that it will either pursue or qualify for Proposition 51 State facilities funding.

Future Initiatives

Article XIII A, Article XIII B, Article XIII C and Article XIII D of the California Constitution and Propositions 22, 26, 30, 39, 51, 55, and 98 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. The nature and impact of these measures cannot be anticipated by the District.

State Budget Measures

The following information concerning the State's budgets has been obtained from publicly available information which the District believes to be reliable; however, the District does not guarantee the accuracy or completeness of this information and has not independently verified such information. Furthermore, it should not be inferred from the inclusion of this information herein that the principal of or interest on the Bonds is payable from the general fund of the District. The Bonds are payable solely from

the proceeds of an ad valorem property tax required to be levied by the County in an amount sufficient for the payment thereof.

2020-21 State Budget. On June 29, 2020, the Governor signed into law the State budget for fiscal year 2020-21 (the “2020-21 Budget”). The following information is drawn from the DOF’s and LAO’s summaries of the 2020-21 Budget.

As with the Governor’s May revision (the “May Revision”) to the proposed State budget for fiscal year 2020-21, the 2020-21 Budget acknowledged that the rapid onset of COVID-19 had an immediate and severe impact on the State’s economy. The ensuing recession caused significant job losses, precipitous drops in family and business income, and exacerbated inequality. The 2020-21 Budget included a number of measures intended to address a projected deficit of \$54.3 billion identified by the May Revision, and occasioned principally by declines in the State’s three main tax revenues (personal income, sales and use, and corporate). The measures included in the 2020-21 Budget, and described below, were intended to close this deficit and set aside \$2.6 billion in the State’s traditional general fund reserve, including \$716 million for the State to respond to the changing conditions of the COVID-19 pandemic:

- *Draw Down of Reserves* – The 2020-21 Budget drew down \$8.8 billion in total State reserves, including \$7.8 billion from the BSA, \$450 million from the Safety Net Reserve and all funds in the PSSSA.
- *Triggers* – The 2020-21 Budget included \$11.1 billion in reductions and deferrals that would have been restored if at least \$14 billion in federal funds were received by October 15, 2020. If the State had received less than this amount, reductions and deferrals were to be partially restored. The triggers included \$6.6 billion in deferred spending on education, \$970 million in funding for the California State University and University of California systems, \$2.8 billion in State employee compensation and \$150 million for courts, as well as funding for various other State programs. The triggers would also have funded an additional \$250 million for county programs to backfill revenue losses. Such federal funds, however, were not received by the October 15 date identified in the 2020-21 Budget. The District can make no representation as to whether such federal funds will be received or in what amount. See “– Future Actions and Events” herein.
- *Federal Funds* – The 2020-21 Budget relied on \$10.1 billion in federal funds allocated to the State, including \$8.1 billion of which had already been received as of the passage of the 2020-21 Budget. This relief included a temporary increase in the federal government’s share of Medicaid costs, a portion of the State’s Coronavirus Relief Fund allocation pursuant to the CARES Act and federal funds provided for childcare programs.
- *Borrowing/Transfers/Deferrals* – The 2020-21 Budget relied on \$9.3 billion in special fund borrowing and transfers, as well as deferrals to K-14 education discussed further herein. Approximately \$900 million of special fund borrowing was associated with reductions to State employee compensation and was to be subject to the triggers discussed above.
- *Increased Revenues* – The 2020-21 Budget temporarily suspended for three years net operating loss tax deductions for medium and large businesses and limited business tax credits, with an estimated increase in tax revenues of \$4.3 billion in fiscal year 2020-21.
- *Cancelled Expansions, Updated Assumptions and Other Measures* – The 2020-21 Budget included an additional \$10.6 billion of measures, including cancelling multiple programmatic expansions, anticipated governmental efficiencies, higher ongoing revenues above the forecast

included in the May Revision, and lower health and human services caseload costs than assumed by the May Revision.

For fiscal year 2019-20, the 2020-21 Budget projected total general fund revenues and transfers of \$137.6 billion and authorized expenditures of \$146.9 billion. The State was projected to end the 2019-20 fiscal year with total available general fund reserves of \$17 billion, including \$16.1 billion in the BSA and \$900 million in the Safety Net Reserve Fund. For fiscal year 2020-21, the 2020-21 Budget projected total general fund revenues and transfers of \$137.7 billion and authorized expenditures of \$133.9 billion. The State was projected to end the 2020-21 fiscal year with total available general fund reserves of \$11.4 billion, including \$2.6 billion in the traditional general fund reserve (of which \$716 million is earmarked for COVID-related responses), \$8.3 billion in the BSA and \$450 million in the Safety Net Reserve Fund.

As a result of the projected reduction of State revenues occasioned by the COVID-19 pandemic, the 2020-21 Budget estimated that the Proposition 98 minimum funding guarantee for fiscal year 2020-21 would be \$70.1 billion, approximately \$10 billion below the revised prior-year funding level. For K-12 school districts, this would have resulted in per-pupil spending in fiscal year 2020-21 of \$10,654, a reduction of \$1,339 from the prior year.

The 2020-21 Budget proposed several measures intended to ameliorate the immediate impact of State revenue declines, and avoid a permanent decline in education funding:

- *Local Control Funding Formula* – The 2020-21 Budget provided for \$1.9 billion in LCFF apportionment deferrals for fiscal year 2019-20. The deferrals increased to \$11 billion in fiscal year 2020-21, which was to result in LCFF funding remaining at 2019-20 levels in both years. The 2020-21 Budget also suspended the statutory COLA in fiscal 2020-21. Of the total deferrals, \$5.8 billion were to be triggered off in fiscal year 2020-21 if sufficient federal funding for this purpose was received. Such federal funds, however, were not received by the October 15 date identified in the 2020-21 Budget. The District can make no representation as to whether such federal funds will be received or in what amount. See “– Future Actions and Events” herein.
- *Learning Loss Mitigation* – The 2020-21 Budget included a one-time investment of \$5.3 billion (\$4.75 billion in CARES Act funding and \$539.9 million in Proposition 98 funding) to local educational agencies to address learning losses related to COVID-19 school closures. Of these funds, \$2.9 billion was to be allocated based on LCFF supplemental and concentration grant allocations, \$1.5 billion based on the number of students with exceptional needs, and \$979.8 million based on total LCFF allocations.
- *Supplemental Appropriations* – The 2020-21 Budget provided for a new, multi-year payment obligation to supplement K-14 education funding. The total obligation would equal approximately \$12.4 billion, and reflected the administration’s estimate of the additional funding K-14 school districts would have received in the absence of COVID-19-related reductions. Under this proposal the State will make annual payments toward this obligation beginning in fiscal year 2021-22. These payments would equal 1.5% of State general fund revenue. The 2020-21 Budget also increased the share of State general fund revenue required to be spent on K-14 school districts from 38% to 40% by fiscal year 2023-24.
- *CalSTRS/CalPERS* – The 2020-21 Budget redirected \$2.3 billion in funds previously appropriated for prefunding CalSTRS and CalPERS liabilities, and instead applied them to further reduce local educational agency contribution rates for such programs in fiscal years 2020-21 and 2021-22. This reduced CalSTRS employer rates to 16.15% in fiscal year 2020-21 and 16.02% in fiscal year 2021-22. CalPERS employer rates would be reduced to 20.7% in fiscal year 2020-21 and 22.84% in

fiscal year 2021-22. See also “DISTRICT FINANCIAL INFORMATION – State Retirement Systems” herein.

- *Federal Funds* – In addition to the CARES Act funding previously discussed, the 2020-21 Budget appropriated \$1.6 billion in federal Elementary and Secondary School Emergency Relief funds awarded to the State. Of this amount, approximately \$1.5 billion was to be allocated to local educational agencies in proportion to the amount of federal Title I-A funding such agencies receive, to be used for COVID-19 related costs. The remaining amount was to be allocated to state-level activities.
- *Temporary Revenue Increases* – As discussed above, as part of closing the State’s projected deficit, the 2020-21 Budget provided for a temporary revenue increase of approximately \$4.3 billion in fiscal year 2020-21, of which approximately \$1.6 billion counted towards the Proposition 98 funding guarantee.

Other significant features of K-12 education funding in the 2020-21 Budget included the following:

- *Special Education* – The 2020-21 Budget increased special education base rates to \$625 per pupil, and provided \$100 million to increase funding for students with low-incidence disabilities.
- *Average Daily Attendance* – The 2020-21 Budget provided for a hold-harmless for calculating apportionments in fiscal year 2020-21. ADA will be based on the 2019-20 year, except for new charter schools commencing instruction in fiscal year 2020-21. The 2020-21 Budget also provided an exemption for local educational agencies from certain annual minimum instructional minute requirements, and included requirements for distance learning to ensure that, in the absence of in-person instruction, students continue to receive access to quality education.
- *LCAPs* – In April of 2020, the Governor issued an executive order allowing local educational agencies to submit their LCAP (as defined herein) for fiscal year 2020-21 in December, in lieu of the usual July 1 deadline. Recognizing that federal relief funds needed to be expended on an accelerated timeline, and to ensure transparency, the 2020-21 Budget replaced the December LCAP with a Learning Continuity and Attendance Plan to be completed by September 30, 2020. The 2020-21 Budget required the State Superintendent of Public Instruction to develop a template of this plan for use by local educational agencies which included a description of how such agencies would provide continuity of learning during the pandemic, expenditures related to addressing the impacts of the pandemic, and how such agencies increased or improved services in proportion to concentration funding received under the LCFF.
- *Employee Protections* – The 2020-21 Budget suspended school districts’ window to lay off teachers and other non-administrative certificated staff, which typically runs from the time the budget is approved by the Legislature to August 15. The 2020-21 Budget also suspended layoffs of classified staff working in transportation, nutrition and custodial services from July 1, 2020 through June 30, 2021.

For additional information regarding the 2020-21 Budget, see the DOF website at www.dof.ca.gov and the LAO website at www.lao.ca.gov. However, the information presented on such websites is not incorporated herein by reference.

Proposed Fiscal Year 2021-22 Budget. On January 8, 2021, the Governor released his proposed State budget for fiscal year 2021-22 (the “Proposed 2021-22 Budget”). The information below is drawn from the DOF and LAO summaries of the Proposed 2021-22 Budget.

The Proposed 2021-22 Budget indicates that, since the adoption of the 2020-21 Budget, the administration’s economic forecast and revenue projections have significantly improved, driven in large part by a rebound in the stock market and an attendant growth in capital gains tax revenues. However, the Proposed 2021-22 Budget acknowledges that the risks to the revenue forecast remain higher than usual, and economic inequality has intensified since the beginning of the COVID-19 pandemic. The Proposed 2021-22 Budget acknowledges that the State is currently in the midst of a second and more serious wave of COVID-19 infections, but that federally-approved COVID-19 vaccines are arriving to assist the recovery from the pandemic.

The Proposed 2021-22 Budget indicates that the revenue forecast was finalized prior to the passage of the most recent federal stimulus bill. See “DISTRICT FINANCIAL INFORMATION – Considerations Regarding COVID-19” herein. Of the almost \$900 billion in federal funding that was approved, the Proposed 2021-22 Budget identifies approximately \$106 billion allocable to the State, including \$42.4 billion in direct assistance to individuals and families (including \$38.3 billion in unemployment benefits and direct payments), \$2.2 billion for COVID-19 testing, tracing and vaccine distribution, \$700 million for health and mental health services, \$50.1 billion in business and transportation support, and \$10.1 billion for education. The Governor’s May revision to the Proposed 2021-22 Budget will include a revised revenue forecast that will reflect this federal assistance. The Proposed 2021-22 Budget also acknowledges that further federal relief will be critical to assisting individuals and businesses survive and recover from the pandemic.

For fiscal year 2020-21, the Proposed 2021-22 Budget projects total general fund revenues and transfers of \$168.1 billion and expenditures of \$156 billion. The State is projected to end the 2020-21 fiscal year with total available general fund reserves of approximately \$22.7 billion, including \$9 billion in the traditional State reserve, \$12.5 billion in the BSA, \$747 million in the PSSSA and \$450 million in the Safety Net Reserve Fund. For fiscal year 2021-22, the Proposed 2021-22 Budget projects total general fund revenues and transfers of \$170.6 billion, and authorizes expenditures of \$164.5 billion. The State is projected to end the 2021-22 fiscal year with total available general fund reserves of approximately \$22 billion, including \$2.9 billion in the traditional general fund reserve, \$15.6 billion in the BSA, \$3 billion in the PSSSA and \$450 million in the Safety Net Reserve Fund. As a result of the projected year-end balance in the PSSSA, school district reserve caps would be triggered in fiscal year 2022-23 under the provisions of SB 858 and SB 751. See also “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 2” herein.

In recognition of the need to address the various impacts of the COVID-19 pandemic, the Proposed 2021-22 Budget includes a package of measures intended to be implemented through legislative action earlier than the traditional State budget timeline. For immediate action in January, this package includes \$3 billion in direct support for small businesses and low income earners (the latter principally through an income tax refund) and \$2 billion to support the re-opening of K-12 schools (as further described herein). For early action in the spring, the package includes \$4.6 billion in instructional support for K-14 school districts, \$973 million in jobs and workforce training, \$561 million in environmental sustainability measures and \$262 million in housing and homelessness-related measures.

As a result of the expected increases in State general fund revenues, the Proposed 2021-22 Budget sets the Proposition 98 minimum funding guarantee for fiscal year 2021-22 at \$85.8 billion, including \$60.8 billion from the State general fund. This represents a year-to-year increase of \$14.9 billion (or 21%) over the level included in the 2020-21 Budget. With respect to K-12 education, the minimum funding guarantee

is set at \$75.9 billion. The Proposed 2021-22 Budget also makes retroactive increases to the minimum funding guarantee in fiscal years 2019-20 and 2020-21 of \$1.9 billion and \$11.9 billion, respectively, due almost exclusively to increases in allocable general fund revenues in those years. As a result of these revisions, total per-pupil expenditures for K-12 education are projected to be \$18,837 in fiscal year 2020-21 and \$18,000 in fiscal year 2021-22. The year-to-year decrease reflects a significant allocation of one-time federal funding in fiscal year 2020-21. Ongoing per-pupil spending from Proposition 98 funding is \$12,648 in fiscal year 2021-22, an increase of \$1,994 from the level provided in the 2020-21 Budget.

Other significant features of K-12 education funding include the following:

- *Re-opening Schools* – \$2 billion in one-time Proposition 98 funding available beginning in February 2021 to augment resources for local educational agencies to resume safe, in-person instruction. Funding will be available on a per-pupil basis for all county schools, school districts and charter schools (with the exception of non-classroom based charter schools and independent study programs) that continue or commence in-person instruction by set dates. Specifically, all such educational agencies that continue or resume instruction (i) by February 16, 2021 for all transitional Kindergarten through 2nd grade students, disabled students, foster and homeless youth, and students without access to technology or high-speed internet, and (ii) by March 15, 2021 for all 3rd grade students, will be eligible for base grants starting at \$450 and increasing to more than \$700 per pupil for schools with higher enrollments of EL/LI students. Schools with later start dates will qualify for proportionally lower base grants, except those schools in counties with high rates of COVID-19 community spread. Schools in counties with high rates of community spread will be eligible for the full February grant amount if they re-open for instruction pursuant to State and local health guidance. Funds may be used for any purpose that supports instruction, including enhancing and expanding COVID-19 testing, personal protective equipment, improving ventilation and the safety of indoor and outdoor spaces, teacher and staff salaries for those providing and supporting in-person instruction, and social and mental health supportive services. See also “– Assembly Bill 86” herein.
- *Local Control Funding Formula* – \$64.5 billion in total LCFF funding, including an allocation to fund a combined COLA of 3.84%. This reflects both the 2.31% COLA that would have been due in fiscal year 2020-21, and which was suspended by the 2020-21 Budget, and a 1.5% adjustment for fiscal year 2021-22. With few exceptions, the Proposed 2021-22 Budget assumes in-person instruction in fiscal year 2021-22, and accordingly does not provide a ADA hold-harmless for purposes of calculating apportionments. However, because of the hold-harmless provided for fiscal year 2020-21 by the prior year’s budgetary legislation, local educational agencies that experience enrollment declines in fiscal year 2021-22 will retain the ability to receive apportionments based on the higher of their 2019-20 or 2020-21 ADA. The Proposed 2021-22 Budget also provides an increase of \$10.2 million in ongoing Proposition 98 funding to reflect a 1.5% COLA for county offices of education.
- *Categorical Programs* – An increase of \$85.7 million in ongoing Proposition 98 funding to reflect a 1.5% COLA for categorical programs which remain outside of the LCFF.
- *Deferrals* – The 2020-21 Budget deferred approximately \$12.5 billion in payments to K-14 school districts. The Proposed 2021-22 Budget would pay down \$8.4 billion of this amount, with districts receiving the associated cash in fiscal year 2021-22. Approximately \$4 billion would remain deferred from fiscal year 2021-22 to fiscal year 2022-23.
- *Supplemental Payment* – The 2020-21 Budget provided for a new, multi-year payment obligation to avoid a permanent decline in K-14 education funding as a result of then-projected

reductions in available revenues. The Proposed 2021-22 Budget would eliminate this supplemental payment obligation in its entirety, but would fund a one-time payment in fiscal year 2021-22.

- *Educator and Professional Development* – \$315.3 million to develop quality training in high-need areas and provide timely access to training. The Proposed 2021-22 Budget also includes \$225 million to improve the State’s teacher pipeline, including providing grants to students enrolled in teacher preparation programs, support for clinical teacher preparation programs and grants to recruit non-certificated school employees.
- *Community Schools* – \$264.9 million in one-time Proposition 98 funding to expand networks of community schools and establish new community schools, which typically integrate health, mental health and other services for students and families and provide these services directly on school campuses.
- *Learning Loss Mitigation* – \$4.6 billion in one-time Proposition 98 funding to facilitate targeted interventions by local educational agencies that focus on student achievement and well-being most affected by COVID-19 related disruptions to educational learning, including interventions with low-income families, English-learners and foster and homeless youth. See also “– Assembly Bill 86” herein.
- *Federal Funds* – As a result of recent federal stimulus legislation, the Proposed 2021-22 Budget estimates that the State could receive more than \$6 billion for the Elementary and Secondary Schools Emergency Relief Fund and \$400 million for the Governor’s Emergency Education Relief Fund. These funds are expected to assist schools in reopening and remaining open for in-person instruction.
- *Proposition 51* – The Kindergarten Through Community College Public Education Facilities Bond Act of 2016 (also known as Proposition 51) is a voter initiative approved at the November 8, 2016 election that authorizes the sale and issuance of \$9 billion in State general obligation bonds for the new construction and modernization of K-14 facilities. The Proposed 2020-21 Budget allocates \$1.5 billion of such bond funds for K-12 school facility projects.

For additional information regarding the 2020-21 Budget and the Proposed 2021-22 Budget, see the DOF website at www.dof.ca.gov and the LAO website at www.lao.ca.gov. However, the information presented on such websites is not incorporated herein by reference.

Assembly Bill 86. On March 4, 2021, the Governor signed into law Assembly Bill 86 (“AB 86”), urgency legislation which provides approximately \$6.6 billion to accelerate the return of in-person school instruction and expand student support. Specifically, AB 86 provides \$2 billion for in-person instruction grants to local educational agencies (with the exception of non-classroom based charter schools and independent study programs) that can be used for, among other things, personal protective equipment, ventilation upgrades and COVID-19 testing. To qualify for the funding, local educational agencies will be required to offer in-person instruction for Kindergarten through second grade, and all grades levels for high-need students, by March 31, 2021, losing 1% of eligible funds for every day thereafter if they do not. Schools in the Blueprint’s red, orange or yellow tiers are required to offer in-person instruction to all elementary grades and at least one middle or high school grade or risk losing the same amount of funding. Local educational agencies will forfeit eligibility for all funding if they do not resume in-person instruction by May 15, 2021. Funding will be allocated proportionally on the basis of LCFE funding entitlements, determined as of the 2020-21 second principal apportionment certification.

The remaining \$4.6 billion is allocated for supplemental instruction and support for social and emotional well-being. Schools will be able to use the funds for, among other things, providing more instructional time (including summer school), tutoring, learning recovery programs, mental health services, access to school meal programs, programs to address pupil trauma and supports for credit-deficient students. Funding will be allocated proportionally on the basis of LCFF funding entitlements, determined as of the 2020-21 second principal apportionment certification. Local educational agencies will also receive an additional \$1,000 for each homeless pupil enrolled in the 2020-21 fiscal year.

AB 86 also codifies several State programs that support the safe re-opening of schools, including (i) setting aside 10% of available vaccines for education workers, (ii) COVID-19-related data reporting requirements, and (iii) additional funding for the State's "Safe Schools Team," which provides technical assistance and oversight to schools that experience COVID-19 outbreaks.

Future Actions and Events. The District cannot predict what additional actions will be taken in the future by the Legislature and the Governor to address changing State revenues and expenditures. The District also cannot predict the impact such actions will have on State revenues available in the current or future years for education. The State budget will be affected by national and State economic conditions and other factors over which the District will have no control. Certain actions or results could produce a significant shortfall of revenue and cash, and could consequently impair the State's ability to fund schools. The COVID-19 pandemic has already resulted in significant negative economic effects at State and federal levels, and additional negative economic effects are possible, each of which could negatively impact anticipated State revenue levels. In addition, the pandemic could also result in higher State expenditures, of both a direct nature (such as those related to managing the outbreak) and an indirect nature (such as higher public usage of need-based programs resulting from unemployment or disability). See "DISTRICT FINANCIAL INFORMATION – Considerations Regarding COVID-19" herein. The District also cannot predict whether the federal government will provide additional funding in amounts sufficient to offset any of the fiscal impacts of the COVID-19 pandemic described above. State budget shortfalls in future fiscal years may also have an adverse financial impact on the financial condition of the District. However, the obligation to levy *ad valorem* property taxes upon all taxable property within the District for the payment of principal of and interest on the Bonds would not be impaired.

REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION

The District's boundaries include all portions of the Cities of Encinitas, Del Mar, and Solana Beach, portions of the Cities of Carlsbad and San Diego, and a portion of the unincorporated areas of the County. The following economic and demographic information pertains to the Cities of Encinitas, Del Mar and Solana Beach (collectively, the "Cities), the County and the State. Due to the nature of the District's jurisdiction, the economic and demographic information set forth below reflect only a portion of the population and economy within the District's boundaries. Information on the remainder of the District

(i.e., the unincorporated areas) is not available from the sources listed below. The Bonds are general obligations of the District; they are not general obligations of the Cities, the County or the State.

Population

The following table summarizes population estimates of the Cities, County and State for years 2011 through 2020.

POPULATION
2011 through 2020
Cities of Del Mar, Encinitas and Solana Beach,
San Diego County, and State of California

<u>Year⁽¹⁾</u>	<u>City of Del Mar</u>	<u>City of Encinitas</u>	<u>City of Solana Beach</u>	<u>County of San Diego</u>	<u>State of California</u>
2011	\$4,195	\$59,992	\$12,965	\$3,125,654	\$37,561,624
2012	4,213	60,531	13,114	3,161,808	37,924,661
2013	4,235	61,011	13,396	3,199,900	38,269,864
2014	4,248	61,367	13,497	3,232,762	38,556,731
2015	4,262	61,777	13,551	3,265,038	38,870,150
2016	4,264	62,026	13,698	3,285,150	39,131,307
2017	4,272	62,151	13,737	3,306,889	39,398,702
2018	4,274	62,180	13,723	3,326,318	39,586,646
2019	4,275	62,096	13,786	3,340,312	39,695,376
2020	4,268	62,183	13,838	3,343,355	39,782,870

⁽¹⁾ As of January 1.

Source: State Department of Finance.

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Personal Income

The following table summarizes 10 years of per capita personal income for the County, State and United States from 2010 through 2019.

PER CAPITA PERSONAL INCOME⁽¹⁾
2010 through 2019
San Diego County, State of California, and United States

<u>Year</u>	<u>San Diego County</u>	<u>State of California</u>	<u>United States</u>
2010	\$44,138	\$44,138	\$40,547
2011	46,531	46,531	42,739
2012	48,315	48,315	44,605
2013	49,525	49,525	44,860
2014	52,214	52,214	47,071
2015	54,822	54,822	49,019
2016	56,506	56,506	50,015
2017	58,380	58,380	52,118
2018	61,147	61,147	54,606
2019	63,729	63,729	56,490

⁽¹⁾ Per capita personal income is the total personal income divided by the total mid-year population estimates of the U.S. Bureau of the Census. All dollar estimates are in current dollars (not adjusted for inflation).

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

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Industry

The District is included in the San Diego-Carlsbad Metropolitan Statistical Area (the "MSA"). The distribution of employment in the MSA is presented in the following table for calendar years 2016 through

2020. These figures are multi county-wide statistics and may not necessarily accurately reflect employment trends within the communities served by the District.

INDUSTRY EMPLOYMENT & LABOR FORCE
2016 through 2020
San Diego-Carlsbad Metropolitan Statistical Area

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total Farm	8,900	8,700	9,300	9,700	9,200
Mining, Logging and Construction	76,600	79,800	84,000	84,300	82,200
Manufacturing:	108,400	109,400	112,300	115,700	113,800
Wholesale Trade	43,700	43,800	43,800	44,000	41,000
Retail Trade	147,500	149,000	148,000	145,800	134,200
Transportation, Warehousing & Utilities	29,700	32,000	33,300	34,300	33,300
Information	23,200	23,400	23,600	23,500	22,100
Financial Activities	73,000	74,600	76,000	76,500	74,300
Professional & Business Services	234,700	239,100	249,000	255,700	247,700
Education & Health Services	198,700	204,300	208,900	216,600	210,200
Leisure & Hospitality	190,400	195,600	199,600	201,700	144,900
Other Services	54,400	55,000	55,500	56,400	44,500
Government	<u>242,200</u>	<u>246,300</u>	<u>248,100</u>	<u>248,600</u>	<u>237,100</u>
Total (all industries)	1,431,500	1,461,000	1,491,500	1,512,900	1,394,500

Note: Items may not add to total due to independent rounding.

Source: California Employment Development Department, Labor Market Information Division. March 2020 Benchmark.

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Employment

The following table summarizes Annual Average Labor Force data for the Cities, County and State during years 2016 through 2020.

CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT
2016 through 2020
City of Del Mar, City of Encinitas, City of Solana Beach,
San Diego County and State of California

<u>Year</u>	<u>Area</u>	<u>Labor Force</u>	<u>Employment</u>	<u>Unemployment</u>	<u>Unemployment Rate (%)</u>
2016	City of Del Mar	2,400	2,300	100	3.2
	City of Encinitas	33,000	31,800	1,300	3.8
	City of Solana Beach	6,900	6,800	100	2.0
	San Diego County	1,563,200	1,489,100	74,100	4.7
	State of California	19,012,000	17,965,400	1,046,600	5.5
2017	City of Del Mar	2,400	2,400	100	2.2
	City of Encinitas	33,100	32,000	1,100	3.3
	City of Solana Beach	7,200	7,000	200	2.1
	San Diego County	1,571,900	1,508,200	63,600	4.0
	State of California	19,173,800	18,246,800	927,000	4.8
2018	City of Del Mar	2,300	2,200	100	2.4
	City of Encinitas	33,100	32,200	900	2.7
	City of Solana Beach	6,900	6,700	100	1.8
	San Diego County	1,579,700	1,526,300	53,400	3.4
	State of California	19,263,900	18,442,400	821,500	4.3
2019	City of Del Mar	2,100	2,100	0	1.8
	City of Encinitas	33,000	32,200	800	2.5
	City of Solana Beach	6,800	6,700	100	1.7
	San Diego County	1,580,100	1,528,300	51,800	3.3
	State of California	19,353,700	18,550,500	803,200	4.2
2020	City of Del Mar	2,000	1,900	100	5.1
	City of Encinitas	31,600	29,400	2,200	7.0
	City of Solana Beach	6,400	6,100	300	5.1
	San Diego County	1,538,400	1,396,500	141,800	9.2
	State of California	18,821,200	16,913,100	1,908,100	10.1

Note: Data is based on annual averages, unless otherwise specified, and is not seasonally adjusted.

Source: U.S. Department of Labor – Bureau of Labor Statistics, California Employment Development Department. March 2020 Benchmark.

Largest Employers

The following tables summarize the largest employers in the Del Mar, Encinitas and the County. Largest employer data for Solana Beach is not available.

**LARGEST EMPLOYERS
City of Del Mar
2020**

<u>Rank</u>	<u>Employer</u>	<u>Employees</u>
1.	Del Mar Thoroughbred Club	45-372
2.	L' Auberge Del Mar Resort Spa	105
3.	Brigantine Seafood Restaurant	89-93
4.	Poseidon Restaurant	63
5.	Il Fornaio	55
6.	Pacifica Del Mar	50
7.	Jake's Del Mar	40
8.	Winston School	32
9.	En Fuego Restaurant	30
10.	Sbica An America Bistro	30

Source: City of Del Mar 'Comprehensive Annual Financial Report' for the year ending June 30, 2020.

**LARGEST EMPLOYERS
City of Encinitas
2020**

<u>Rank</u>	<u>Employer</u>	<u>Employees</u>
1.	Scripps Memorial Hospital	1,017
2.	Paul Ecke Ranch	453
3.	Walmart Supercenter	335
4.	Home Depot	303
5.	Encinitas Union School District	300
6.	YMCA	300
7.	Scripps Rehabilitation	265
8.	Target	250
9.	San Diego Hebrew Homes	220
10.	Objectiva Software Solutions	201

Source: City of Encinitas 'Comprehensive Annual Financial Report' for the year ending June 30, 2020.

LARGEST EMPLOYERS
San Diego County
2020

<u>Employer</u>	<u>Number of Employees</u>
University of California San Diego	35,802
Naval Base San Diego	34,534
Sharp HealthCare	19,468
Scripps Health	16,295
General Atomics Aeronautical Systems, Inc.	6,745
San Diego State University	6,454
Rady Children's Hospital-San Diego	5,711
San Diego Community College District	5,400
Sempra Energy	5,063
YMCA of San Diego County	5,057
Northrop Grumman Corp.	5,000
Palomar Health	4,408
Veterans Affairs San Diego Healthcare System	3,961
Grossmont-Cuyamaca Community College District	3,452
University of San Diego	3,311
General Dynamics NASSCO	3,200
Viasat Inc.	2,753
Tri-City Medical Center	2,153
San Ysidro Health	1,886
California State University San Marcos	1,831

Source: San Diego Business Journal. Some companies or organizations have declined to participate or did not return a survey by press time.

Taxable Sales

The following tables summarize annual taxable sales data in the County and Cities for years 2015 through 2019.

TAXABLE SALES
2015 through 2019
San Diego County
(Dollars in Thousands)

<u>Year</u>	<u>Retail Permits</u>	<u>Retail Stores</u> <u>Taxable Transactions</u>	<u>Total Permits</u>	<u>Total Taxable</u> <u>Transactions</u>
2015	58,740	\$38,521,521	95,480	\$54,717,543
2016	58,391	39,089,506	95,326	55,921,010
2017	59,798	40,371,715	97,412	57,551,360
2018 ⁽¹⁾	59,836	41,886,825	100,674	59,041,042
2019 ⁽¹⁾	59,447	42,748,210	101,901	61,106,480

⁽¹⁾ Preliminary, subject to change.

Source: Taxable Sales in California, California Department of Tax and Fee Administration ("CDTFA") for 2015-19.

**ANNUAL TAXABLE SALES
2015 through 2019
City of Del Mar
(Dollars in Thousands)**

<u>Year</u>	<u>Retail Permits</u>	<u>Retail Stores Taxable Transactions</u>	<u>Total Permits</u>	<u>Total Taxable Transactions</u>
2015	1,208	\$147,715	1,601	\$186,961
2016	1,172	152,595	1,547	193,342
2017	1,175	151,805	1,542	189,789
2018 ⁽¹⁾	1,133	156,656	1,520	191,203
2019 ⁽¹⁾	1,095	145,785	1,478	169,058

⁽¹⁾ Preliminary, subject to change.

Source: *Taxable Sales in California, California Department of Tax and Fee Administration ("CDTFA") for 2015-19.*

**ANNUAL TAXABLE SALES
2015 through 2019
City of Encinitas
(Dollars in Thousands)**

<u>Year</u>	<u>Retail Permits</u>	<u>Retail Stores Taxable Transactions</u>	<u>Total Permits</u>	<u>Total Taxable Transactions</u>
2015	1,830	\$985,983	3,107	\$1,130,941
2016	1,829	977,801	3,098	1,109,799
2017	1,884	1,011,749	3,160	1,148,426
2018 ⁽¹⁾	1,890	1,034,536	3,278	1,182,641
2019 ⁽¹⁾	1,833	1,010,444	3,235	1,164,668

⁽¹⁾ Preliminary, subject to change.

Source: *Taxable Sales in California, California Department of Tax and Fee Administration ("CDTFA") for 2015-19.*

**ANNUAL TAXABLE SALES
2015 through 2019
City of Solana Beach
(Dollars in Thousands)**

<u>Year</u>	<u>Retail Permits</u>	<u>Retail Stores Taxable Transactions</u>	<u>Total Permits</u>	<u>Total Taxable Transactions</u>
2015	507	\$228,380	883	\$259,114
2016	506	238,423	859	268,623
2017	499	240,981	851	275,709
2018 ⁽¹⁾	495	245,582	874	284,633
2019 ⁽¹⁾	493	254,501	873	297,309

⁽¹⁾ Preliminary, subject to change.

Source: *Taxable Sales in California, California Department of Tax and Fee Administration ("CDTFA") for 2015-19.*

Building Activity

The following tables summarize new building permits and valuations in the County and Cities for years 2015 through 2019.

BUILDING PERMITS AND VALUATIONS
2015 through 2019
County of San Diego
(Dollars in Thousands)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>Valuation (\$000s)</u>					
Residential	\$2,447,042	\$2,472,237	\$2,632,826	\$2,673,873	\$2,084,655
Non-residential	<u>1,862,502</u>	<u>1,782,421</u>	<u>2,371,303</u>	<u>1,901,844</u>	<u>2,359,541</u>
Total	\$4,309,544	\$4,254,658	\$5,004,129	\$4,575,717	\$4,444,196
<u>New Housing Units</u>					
Single Units	3,136	2,420	3,960	3,438	3,045
Multiple Units	<u>6,869</u>	<u>7,680</u>	<u>6,056</u>	<u>6,132</u>	<u>4,405</u>
Total	10,005	10,100	10,016	9,570	7,450

Note: Totals may not add due to independent rounding.

Source: *Construction Industry Research Board.*

BUILDING PERMITS AND VALUATIONS
2015 through 2019
City of Del Mar
(Dollars in Thousands)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>Valuation (\$000s)</u>					
Residential	\$12,448	\$6,280	\$12,942	\$12,310	\$15,491
Non-residential	<u>681</u>	<u>14,421</u>	<u>363</u>	<u>1,627</u>	<u>476</u>
Total	\$13,129	\$20,701	\$13,305	\$13,937	\$15,967
<u>New Housing Units</u>					
Single Units	9	5	9	7	9
Multiple Units	<u>2</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>
Total	11	5	11	7	9

Note: Totals may not add to sums because of rounding.

Source: *Construction Industry Research Board.*

BUILDING PERMITS AND VALUATIONS**City of Encinitas
2015 through 2019
(Dollars in Thousands)**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>Valuation (\$000s)</u>					
Residential	\$56,019	\$36,282	\$48,038	\$51,715	\$52,359
Non-residential	<u>9,576</u>	<u>10,481</u>	<u>11,313</u>	<u>21,747</u>	<u>57,369</u>
Total	\$65,595	\$46,763	\$59,351	\$73,462	\$109,728
<u>New Housing Units</u>					
Single Units	149	87	110	148	169
Multiple Units	<u>4</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	153	89	110	148	169

Note: Totals may not add to sums because of rounding.

Source: *Construction Industry Research Board.*

BUILDING PERMITS AND VALUATIONS**City of Solana Beach
2015 through 2019
(Dollars in Thousands)**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>Valuation (\$000s)</u>					
Residential	\$10,664	\$14,588	\$17,425	\$9,550	\$8,772
Non-residential	<u>3,231</u>	<u>3,861</u>	<u>12,581</u>	<u>2,672</u>	<u>3,707</u>
Total	\$13,895	\$18,449	\$30,006	\$12,222	\$12,479
<u>New Housing Units</u>					
Single Units	8	16	20	12	7
Multiple Units	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	10	16	20	12	7

Note: Totals may not add to sums because of rounding.

Source: *Construction Industry Research Board.*

APPENDIX B

**AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR
THE FISCAL YEAR ENDED JUNE 30, 2020**

APPENDIX C

PROPOSED FORMS OF OPINIONS OF BOND COUNSEL

[TO COME]

APPENDIX D**FORM OF CONTINUING DISCLOSURE CERTIFICATE**

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the San Dieguito Union High School District (the “District”) in connection with the issuance of the San Dieguito Union High School District 2021 General Obligation Refunding Bonds (Federally Taxable) (the “Refunding Bonds”), the San Dieguito Union High School District 2021 General Obligation Bonds Series E-1 (Federally Taxable) and Series E-2 (Tax-Exempt) (the “Series E Bonds” and together with the Refunding Bonds, the “Bonds”). The Refunding Bonds are being issued as authorized by resolution adopted by the Board of Trustees of the District on April 22, 2021 (the “Refunding Bonds Resolution”), and in accordance with the terms of a Paying Agent Agreement, dated as of June 1, 2021, by and between the District and the County of San Diego (the “County”), as paying agent (the “Paying Agent”) thereunder. The Series E Bonds are being issued as authorized by resolution adopted by the Board of Trustees of the District on April 22, 2021 (the “Series E Bonds Resolution” and, together with the Refunding Bonds Resolution, the “Resolutions”), and in accordance with the terms of a Paying Agent Agreement, dated as of June 1, 2021, by and between the District and the County, as Paying Agent thereunder.

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 Securities and Exchange Commission Rule 15c2-12(b)(5).

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

“Annual Report” 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 Willdan Financial Services, 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 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>.

“Participating Underwriter” shall mean Piper Sandler & Co., or any other underwriter 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, 2021 (which is due no later than March 31, 2022), provide to 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 Trustee 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).

(c) 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 as Exhibit A.

(d) 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:

- * 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 statement of the District, the Annual Report shall also include the following:

- * Adopted budget of the District for the current fiscal year, or a summary thereof.
- * District average daily attendance.
- * District outstanding debt.
- * Information regarding total assessed valuation of taxable properties within the District, if and to the extent provided to the District by the County.
- * Information regarding total secured tax charges and delinquencies on taxable properties within the District, if and to the extent provided to the District by the County.

Any or all of the items listed above may be set forth in one or a set of documents or may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which 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 in a timely manner not later than ten 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 an obligated person, 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, in a timely manner not later than ten business days after the occurrence of the event:

1. Unless described in paragraph 5(a)(5), other notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other 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 trustee or the change of name of a trustee; or
8. Incurrence of a Financial Obligation of an obligated person, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of an obligated person, any of which affect security holders.

(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 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 subsection (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 applicable Resolution.

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 Willdan Financial Services, 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 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 San Diego 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: June __, 2021

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

By _____
Associate Superintendent,
Business Services

ACKNOWLEDGED AND ACCEPTED:

WILLDAN FINANCIAL SERVICES, INC.

By _____
Authorized Signatory

EXHIBIT A

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

Name of District: SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

Name of Bond Issues: SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
2021 GENERAL OBLIGATION REFUNDING BONDS
(FEDERALLY TAXABLE)

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
2021 GENERAL OBLIGATION BONDS SERIES E-1
(FEDERALLY TAXABLE)

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
2021 GENERAL OBLIGATION BONDS SERIES E-2
(TAX EXEMPT)

Date of Issuance: June __, 2021

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

Dated: _____

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

By _____
Authorized Signatory

APPENDIX E

COUNTY OF SAN DIEGO INVESTMENT POOL

The following information concerning the Treasury Pool of San Diego County (the "Treasury Pool") has been provided by the Treasurer and has not been confirmed or verified by the District or the Underwriter. No representation is made herein as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof, or that the information contained or incorporated hereby by reference is correct as of any time subsequent to its date.

In accordance with Government Code Section 53600 *et seq.*, the Treasurer manages funds deposited with it by the District. The County is required to invest such funds in accordance with California Government Code Sections 53635 *et seq.* In addition, counties are required to establish their own investment policies which may impose limitations beyond those required by the Government Code.

All investments in the Treasurer's investment portfolio conform to the statutory requirements of Government Code Section 53635 *et seq.*, authorities delegated by the County Board of Supervisors and the Treasurer's investment policy.

General

Pursuant to a resolution adopted July 8, 1958, the Board of Supervisors delegated to the County Treasurer the authority to invest and reinvest funds of the County. Applicable law limits this delegation of authority to a one-year period and must be renewed annually by action of the Board of Supervisors. In addition to funds of the County funds of certain local agencies within the County, including school districts in the County, are required under state law to be deposited into County Treasury ("Involuntary Depositors"). In addition, certain agencies, such as cities and special districts, invest certain of their funds in the County Treasury on a voluntary basis ("Voluntary Depositors" and together with the Involuntary Depositors, the "Depositors"). Deposits made by the County and the various local agencies are commingled in a pooled investment fund (the "Treasury Pool" or the "Pool"). No particular deposits are segregated for separate investment.

Under State law, Depositors in the Pool are permitted to withdraw funds which they have deposited on 30 days' notice. The County does not expect that the Pool will encounter liquidity shortfalls based on its current portfolio and investment guidelines or realize any losses that may be required to be allocated among all Depositors in the Pool.

The County has established an Oversight Committee pursuant to State law. The members of the Oversight Committee include the County Treasurer, the County Auditor–Controller, the County Superintendent of Schools or designee, a representative from the special districts, a representative from the school districts and community college districts in the County, and members of the public. The role of the Oversight Committee is to review and approve the Investment Policy that is prepared by the County Treasurer.

The Treasury Pool's Portfolio

As of _____, 2021, the securities in the Treasury Pool had a market value of \$_____ and a book value of \$_____, for a net unrealized gain of \$_____ of the book value of the Treasury Pool.

The effective duration for the Treasury Pool was _____ years as of _____, 2021. “Duration” is a measure of the price volatility of the portfolio and reflects an estimate of the projected increase or decrease in the value of the portfolio based upon a decrease or increase in interest rates. A duration of 1 means that for every one percent increase in interest rates, the market value of the portfolio would decrease by 1%.

As of _____, 2021, approximately ____% of the total funds in the Pool were deposited by Voluntary Depositors, such as cities and fire districts, ____% by community colleges, ____% by the County, ____% by Non-County and ____% by K-12 school districts.

Fitch Ratings maintains ratings of “AAAF” (highest underlying credit quality) and “S1” (very low sensitivity to market risk) on the Pool. The ratings reflect only the view of the rating agency and any explanation of the significance of such ratings may be obtained from such rating agency as follows: Fitch Ratings, Inc., 33 Whitehall Street, New York, New York 10004.

Investments of the Treasury Pool

Authorized Investments: Investments of the Pool are placed in those securities authorized by various sections of the California Government Code, which include obligations of the United States Treasury, Agencies of the United States Government, local and State bond issues, bankers acceptances, commercial paper of prime quality, certificates of deposit (both collateralized and negotiable), repurchase and reverse repurchase agreements, medium term corporate notes, shares of beneficial interest in diversified management companies (mutual funds), asset backed (including mortgage related), pass-through securities, and specific Supranational debt securities.

Legislation which would modify the currently authorized investments and place restrictions on the ability of municipalities to invest in various securities is considered from time to time by the California State Legislature. At all times, the Pool’s investments will comply with California Government Code and the County’s Investment Policy (the “Investment Policy”).

The Investment Policy currently states the primary goals of the County Treasurer when investing public funds to be as follows: the primary objective is to safeguard the principal of the funds under the County Treasurer's control, the secondary objective is to meet the liquidity needs of the Pool Participants, and the third objective is to achieve an investment return on the funds under the control of the County Treasurer within the parameters of prudent risk management. The Investment Policy contains a requirement that at least 35% of the Pool should be invested in securities maturing in one year or less, with the remainder of the portfolio being invested in debt securities with maturities spread over more than one year to five years. Furthermore, at least 15% of the securities must mature within 90 days. The maximum effective duration for the Pool shall be 2.0 years.

Certain Information Relating to Pool

The following table reflects information with respect to the Pool as of the close of business _____, 2021. As described above, a wide range of investments is authorized by state law. Therefore, there can be no assurances that the investments in the Pool will not vary significantly from the investments described below. In addition, the value of the various investments in the Pool will fluctuate on a daily basis as a result of a multitude of factors, including generally prevailing interest rates and other economic conditions. Therefore, there can be no assurance that the values of the various investments in the Pool will not vary significantly from the values described below. In addition, the values specified in the following table were based upon estimates of market values provided to the County by a third party.

Accordingly, there can be no assurance that if these securities had been sold on _____, 2021, the Pool necessarily would have received the values specified.

[Insert Pool Chart]

APPENDIX F

BOOK-ENTRY ONLY SYSTEM

The information in this appendix concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but neither the District nor the Underwriter takes any responsibility for the accuracy or completeness thereof. Information presented at any website cited within this section is not incorporated herein by reference. The District cannot and does not give any assurances that DTC, Direct Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) certificates representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "MMI Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

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 3.6 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.

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

accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

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

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

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

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds 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 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and distributions on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from 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 and distributions 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.

DTC may discontinue providing its services as depository with respect to the Bonds 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, Bond certificates are required to be printed and delivered.

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

So long as Cede & Co. is the registered Owner of the Bonds, as nominee of DTC, references herein to the Owners or Holders of the Bonds (other than under the caption "TAX MATTERS") will mean Cede & Co. and will not mean the Beneficial Owners of the Bonds.

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: April 12, 2021

BOARD MEETING DATE: April 22, 2021

PREPARED BY: John Addleman, Exec. Director Planning Services
Tina Douglas, Associate Superintendent Business

SUBMITTED BY: Robert A. Haley, Ed.D., Superintendent

SUBJECT: **ADOPTION OF RESOLUTION OF THE BOARD OF TRUSTEES OF THE SAN DIEGUITO UNION HIGH SCHOOL DISTRICT AUTHORIZING THE ISSUANCE OF AND SALE OF NOT TO EXCEED \$130,000,000 AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION REFUNDING BONDS OF THE SAN DIEGUITO UNION HIGH SCHOOL DISTRICT, APPROVING FORMS OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT, A PAYING AGENT AGREEMENT, AN ESCROW AGREEMENT, A CONTINUING DISCLOSURE CERTIFICATE AND AN OFFICIAL STATEMENT FOR SAID BONDS, AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS**

EXECUTIVE SUMMARY

On November 6, 2012, the voters of the San Dieguito Union High School District voted to approve Proposition AA to authorize the District to issue up to \$449 million of general obligation bonds to finance certain specified capital projects and facilities.

Since that time, the District has issued four general obligation (GO) bonds in the total amount of \$364,040,000 for the construction and modernization of many school facilities across the District. The second of those four bonds was the 2015 GO Bond, Series B-1 and B-2, in the amount of \$117.04 million. Series B-1 has since been paid in full.

As part of staff's ongoing due diligence procedures, it has been recognized that a portion of the remaining outstanding Series B-2 GO bonds could, if refinanced under current market conditions, produce substantial savings to taxpayers.

Proposed Financing

Staff has been working closely with Fieldman, Rolapp & Associates (Financial Advisor), Orrick, Herrington & Sutcliffe LLP (Bond Counsel), Stradling Yocca Carlson & Rauth (Disclosure Counsel), and Piper Sandler & Co. (Underwriter), and Laura Romano (District

Counsel) collectively the Finance Team, to develop a refinancing plan by means of a negotiated sale that maintains the long-term financing goals of Proposition AA that:

- pledge to limit the tax rate to no more than \$25/\$100,000 of assessed value (AV),
- continue the practice of limiting the repayment term to no more than 25 years,
- continue the practice to develop a financing plan that eliminates the use of Capital Appreciation Bonds (CABs), and
- continue the conservative view of projected yearly AV growth of 4%.

Bond refundings or “refundings” are used by state and local governments to achieve debt service savings on outstanding bonds. In general, bond refundings are somewhat altruistic in as much as the District does not benefit from the savings in the form of usable construction capital. The refunding does represent a savings to taxpayers in the form of a lower dollar rate per \$100,000 of assessed value, though often in a very small amount when applied to the assessed value of all property owners with the District.

Refunding bonds are characterized as either current refundings or advance refundings. A current refunding is one in which the outstanding (refunded) bonds are redeemed within 90 days of the date the refunding bonds are issued. In an advance refunding, the refunded bonds are redeemed more than 90 days from the date the refunding bonds are issued. Proceeds of advance refunding bonds are placed in an escrow account held by a third-party escrow agent. These funds are held until the call date of the refunded bonds and are typically invested so the earnings minimize the cost of the escrow. Changes to federal tax law in late 2017 eliminated the ability of governments to issue tax-exempt advance refunding bonds. Taxable advance refundings of tax-exempt or taxable bonds are still permitted.

Currently, with interest rates at near historic record lows, the District has an opportunity to refinance certain maturities of the 2015 GO Bond, B-2, to provide more efficiency to the proposed 2021 GO Bond Series E financing by selecting those maturities of the 2015 GO Bond, B-2 that would provide at least a net present value debt service savings of approximately 3%. The net present value savings are calculated net of the estimated issuance costs paid out of the refunding bond proceeds to the underwriter, bond counsel, disclosure counsel, Moody's, and Standard and Poor's credit rating agencies, U.S. Bank escrow agent, financial advisor, and others. The refunding bonds will be issued on a federally taxable basis due to the 2017 tax law changes.

Proposed 2021 General Obligation Refunding Bonds – Summary – as of 4/7/21

Pursuant to District board policy 3470, the principal amount of \$32,570,000 will be paid over the course of 16 years such that the final maturity does not extend beyond that of the existing 2015 GO Bond, B-2.

First Coupon: 08/01/21 Last Maturity: 08/01/36

Total interest of \$9,315,736.88 will be paid over the 16 year term. Total debt service amounts to \$41,885,736.88.

In compliance with Section 15146(b)(4) of the Education Code, Good Faith Estimates are provided in Exhibit B to the attached resolution and summarized here:

ITEM 10e

- True Interest Cost (TIC) is the total annual cost of obtaining debt financing, expressed as a percentage of the total debt amount. It is often referred to as the real cost of taking out a loan as it includes all ancillary fees and costs, along with factors related to the time value of money. As of 4/7/21 the TIC is 2.448%.
- The finance charge of the refunding bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Refunding Bonds), is \$285,280. The finance charge is comprised of the Underwriter's Discount of \$130,280 and the Cost of Issuance of \$155,000. The Cost of Issuance is further detailed in Exhibit C to the attached resolution.
- 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 and any reserves or capitalized interest paid or funded with proceeds of the Refunding Bonds is \$32,284,209.05.
- 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 of the Refunding Bonds not paid with proceeds of the Refunding Bonds, calculated to the final maturity of the Refunding Bonds, is \$41,885,736.88.

Attached is the District resolution and pursuant to the resolution the following documents, in form, for approval:

- Bond Purchase Agreement: An agreement between the District and Piper Sandler & Co. ("Underwriter"), for the purchase of bonds from the District by the Underwriter for reoffering to the public.
- Paying Agent Agreement: An agreement between the District and County of San Diego through the Office of the Treasurer-Tax Collector to levy and collect the tax necessary to pay debt service on the bonds.
- Escrow Agreement: An agreement between the District and U.S. Bank National Association as the Escrow Agent to accept and administer the trust created to invest those proceeds placed on deposit at closing to redeem the 2015 B-2 bonds.
- Preliminary Official Statement (POS): The preliminary prospectus on the 2021 GO Refunding Bond issue and 2021 GO Bond Series E, circulated to gauge the level of interest among prospective investors prior to the availability of the final official statement.
- Continuing Disclosure Certificate (Appendix D to POS): Any government entity issuing bonds has an obligation to meet specific continuing disclosure standards in compliance with Securities and Exchange Commission (SEC) Rule 15c2-12. When the bonds are issued, the District for the benefit of the underwriter(s) to meet the SEC requirements, promises to provide certain annual financial information and material event notices to the public.

RECOMMENDATION:

It is recommended that the Board adopt the Resolution of the Board of Trustees of the San Dieguito Union High School District Authorizing the Issuance and Sale of Not to Exceed \$130,000,000 Aggregate Principal Amount of General Obligation Refunding Bonds of the San Dieguito Union High School District, Approving the Forms of and Authorizing the Execution and Delivery of a Bond Purchase Agreement, a Paying Agent Agreement, an Escrow Agreement, a Continuing Disclosure Certificate and an Official Statement for said Bonds, and Authorizing the Execution of Necessary Documents and Certificates and Related Actions, as shown in the attached supplements.

FUNDING SOURCE:

N/A

RESOLUTION OF THE BOARD OF TRUSTEES OF THE SAN DIEGUITO UNION HIGH SCHOOL DISTRICT AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$130,000,000 AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION REFUNDING BONDS OF THE SAN DIEGUITO UNION HIGH SCHOOL DISTRICT, APPROVING FORMS OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT, A PAYING AGENT AGREEMENT, AN ESCROW AGREEMENT, A CONTINUING DISCLOSURE CERTIFICATE AND AN OFFICIAL STATEMENT FOR SAID BONDS, AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS

WHEREAS, this Board of Trustees (the “Board”) of the San Dieguito Union High School District (herein called the “District”) of the County of San Diego, California (the “County”), has heretofore issued or caused to be issued the following bonds under Proposition AA approved by the voters on November 6, 2012 (“Proposition AA”), which bonds are currently outstanding as described below:

Issue Name	Original Principal Amount	Principal Outstanding Amount	Optional Redemption Date	Maturity Date
San Dieguito Union High School District 2015 General Obligation Bonds (Election of 2012), Series B-2 (Tax-Exempt) (the “Series 2015B-2 Bonds”)	\$110,030,000	\$104,430,000	August 1, 2025	February 1, 2040

WHEREAS, this Board 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 certain maturities of the Series 2015B-2 Bonds now be refunded (such bonds to be refunded being collectively referred to herein as the “Prior Bonds”);

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 resolution and the paying agent agreement providing for the issuance of the Prior 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;

WHEREAS, pursuant to Section 53558 of the Government Code, the District is authorized to deposit 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 Refunded Bonds as they become due on and prior to the first optional redemption date of August 1, 2025, or at designated dates prior to maturity, (ii) the interest on the Refunding Bonds on and prior to the redemption date of the Prior Bonds, and (iii) the other designated costs of issuing the Refunding Bonds, the estimate of which is attached hereto as Exhibit B;

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

WHEREAS, this Board acknowledges that, under current law, the issuance of the Refunding Bonds to refinance the Prior Bonds more than 90 days in advance of the date of redemption thereof (an "Advance Refunding") precludes a tax-exempt refunding of the Prior Bonds and requires the Refunding Bonds issued hereunder for such redemption to be federally taxable; provided, however, that if at the time of sale of any series of Refunding Bonds any legislation shall be enacted which permits the issuance of Tax-Exempt (defined herein) bonds issued for the purpose of an Advance Refunding, the District may issue any series of the Refunding Bonds as Tax-Exempt;

WHEREAS, this Board 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, it is desirable to sell the Refunding Bonds on a negotiated sale basis to Piper Sandler & Co. (the "Underwriter") pursuant to a contract of purchase (the "Bond Purchase Agreement");

WHEREAS, the Board recognizes that Fieldman Rolapp & Associates, Inc., has been engaged to act as Municipal Advisor (the "Municipal Advisor") to the District, Stradling Yocca Carlson & Rauth, a Professional Corporation, has been engaged as disclosure counsel ("Disclosure Counsel") to the District and Orrick, Herrington & Sutcliffe LLP has been engaged as bond counsel ("Bond Counsel") to the District with respect to the Refunding Bonds;

WHEREAS, the County through the office of the Treasurer-Tax Collector of the County (the "Treasurer") has been requested to act as Paying Agent (herein called the "Paying Agent") with respect to the Refunding Bonds, and U.S. Bank National Association, or such other bank designated by an Authorized District Representative (hereinafter defined), will act as Escrow Agent (herein called the "Escrow Agent") and as costs of issuance custodian with respect to the refunding;

WHEREAS, the District proposes to enter into an escrow agreement, by and between the District and the Escrow Agent, relating to the Prior Bonds and the Refunding Bonds (the "Escrow Agreement"), directing the creation of an escrow fund for deposit of a portion of the proceeds of the sale of the Refunding Bonds for the purpose of paying and redeeming the Prior Bonds on and prior to the redemption date as more fully described herein;

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

WHEREAS, this Board desires that the County 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 (the "Board of Supervisors"), the Auditor-Controller (the "Auditor-Controller"), the 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 of the Prior Bonds as shall remain

outstanding following the defeasance or redemption of the Prior Bonds from proceeds of the Refunding Bonds;

WHEREAS, Section 5852.1 of the Government Code requires that the Board 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;

WHEREAS, in compliance with said section, this Board has obtained from the Municipal Advisor the required good faith estimates for the Refunding Bonds and such estimates are disclosed and set forth in Exhibit B attached hereto;

WHEREAS, the Board 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 of California (the "Governor") and became effective January 1, 2016;

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

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;

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

WHEREAS, the Board of Trustees recognizes that Fieldman Rolapp & Associates, Inc., has been engaged to act as Municipal Advisor (the "Municipal Advisor") to the District, Stradling Yocca Carlson & Rauth, a Professional Corporation, has been engaged as disclosure counsel ("Disclosure Counsel") to the District and Orrick, Herrington & Sutcliffe LLP has been engaged as bond counsel ("Bond Counsel") to the District with respect to the Refunding Bonds; and

WHEREAS, there have been submitted and are on file with the Clerk of this Board proposed forms of a Bond Purchase Agreement, a Paying Agent Agreement, an Official Statement, a Continuing Disclosure Certificate and an Escrow Agreement, all with respect to the proposed issuance of not to exceed \$130,000,000 aggregate principal amount of "San Dieguito Union High School District 2021 General Obligation Refunding Bonds";

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the San Dieguito Union High School District, as follows:

Section 1. **Recitals.** All of the above recitals are true and correct and the Board of Trustees so finds.

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

“**Auditor and Controller**” means the Auditor and Controller of the County or any authorized deputy thereof.

“**Authorized Denomination**” means \$5,000 or any integral multiple thereof.

“**Authorized District Representative**” means the President of the Board of Trustees, or such other member of the Board of Trustees as the President may designate, the Superintendent of the District, the Associate Superintendent, Business Services, of the District, the Executive Director of Planning Services, or such other officer or employee of the District as the Superintendent may designate.

“**Beneficial Owners**” means those individuals, partnerships, corporations or other entities for whom the Participants have caused DTC to hold Book-Entry Bonds.

“**Board**” means the Board of Trustees of the District.

“**Board of Supervisors**” means the Board of Supervisors of the County.

“**Bond Counsel**” means Orrick, Herrington & Sutcliffe LLP or such other firm of nationally recognized bond counsel selected by the District.

“**Bond Purchase Agreement**” means the Bond Purchase Agreement relating to the sale of the Refunding Bonds by and between the District and the Underwriter in accordance with the provisions hereof.

“**Book-Entry Bonds**” means the Refunding Bonds registered in the name of the nominee of DTC, or any successor securities depository for the Refunding Bonds, as the registered owner thereof pursuant to the terms and provisions of Section 5 hereof.

“**Building Fund**” means the building fund of the District established and maintained by the Treasurer in the County treasury pursuant to law.

“**Business Day**” means a day which is not (a) a Saturday, Sunday or legal holiday in the State of California, (b) a day on which banking institutions in the State of California, or in any state in which the Office of the Paying Agent is located, are required or authorized by law (including executive order) to close, or (c) a day on which the New York Stock Exchange is closed.

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

“**Closing Date**” means the date upon which a series of bonds is delivered to the Underwriter, and payment therefor is received by the District.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Continuing Disclosure Certificate**” means the Continuing Disclosure Certificate entered into in connection with the Refunding Bonds, as originally executed and delivered by the District relating to the Refunding Bonds.

“**County**” means the County of San Diego, a county and political subdivision of the State of California organized and existing under the laws of the State of California, and any successor thereto.

“**County Resolution**” means the resolution of the Board of Supervisors of the County authorizing the execution and delivery of the Paying Agent Agreement.

“**Defeasance Securities**” means (i) direct, non-callable obligations of the United States Treasury; (ii) direct non-callable and non-prepayable obligations which are unconditionally guaranteed by the United States of America as to full and timely payment of principal and interest; (iii) non-callable, non-prepayable coupons from the above securities which are stripped pursuant to United States Treasury programs; (iv) non-callable and non-prepayable (or irrevocably called to a specified redemption date) refunded municipal bonds that are backed by an escrow funded with obligations of or guaranteed by the United States of America; (v) Resolution Funding Corporation (REFCORP) securities consisting of interest components stripped by the Federal Reserve Bank of New York; (vi) non-callable, and non-prepayable fixed rate Israel Notes guaranteed as to principal and interest by the United States of America through the United Agency for International Development (provided that such notes maintain a rating at the same level as obligations of the United States Treasury and mature at least four business days before funds are needed for refunded bond debt service payments); (vii) United States State and Local Government Securities (SLGS); and (viii) the following non-callable, non-prepayable obligations of federal government-sponsored agencies that are not backed by the full faith and credit of the U.S. Government: Federal Home Loan Bank, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Tennessee Valley Authority, Farm Credit System, Washington Metropolitan Area Transit Authority, United States Import-Export Bank, United States Department of Housing and Urban Development, Farmers Home Administration, General Services Administration and United States Maritime Administration (provided such securities have a rating when purchased at the same level as obligations of the United States Treasury).

“**Disclosure Counsel**” means Stradling Yocca Carlson & Rauth, a Professional Corporation, or such other firm of nationally recognized disclosure counsel selected by the District.

“**District**” means the San Dieguito Union High School District, a school district organized and existing under the laws of the State of California, and any successor thereto.

“District Resolution” or **“Resolution”** means this resolution of the Board of the District authorizing the issuance of the Refunding Bonds.

“DTC” means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors as securities depository for the Refunding Bonds, including any such successor appointed pursuant to Section 10 hereof.

“Education Code” means the Education Code of the State of California.

“Escrow Agent” means U.S. Bank National Association, or such other entity designated by the Authorized District Representative, as initial escrow agent under the Escrow Agreement.

“Escrow Agreement” means that certain agreement dated as of June 1, 2021, by and between the District and the Escrow Agent, with respect to the defeasance of the Refunded Bonds.

“Escrow Fund” shall mean that certain fund of the same name created and maintained by the Escrow Agent pursuant to the Escrow Agreement.

“Fiscal Year” means the period beginning on July 1 of each year and ending on the next succeeding June 30, or any other twelve-month period hereafter selected and designated as the official fiscal year period of the District.

“Government Code” means the Government Code of the State of California.

“Interest and Sinking Fund” means the interest and sinking fund of the District established and maintained by the Treasurer in the County treasury pursuant to law.

“Interest Payment Date” means February 1 and August 1 of each year commencing on August 1, 2021, or other such dates as specified in the Bond Purchase Agreement.

“Office of the Paying Agent” means the office of the Treasurer in San Diego, California, or such other office as may be specified to the District by the Paying Agent in writing.

“Official Statement” means the Official Statement of the District relating to the Refunding Bonds.

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

“Owner” means with respect to a Refunding Bond, the Person in whose name such Refunding Bond is registered on the Registration Books.

“Participant” means any entity which is recognized as a participant by DTC in the book-entry system of maintaining records with respect to Book-Entry Bonds.

“Paying Agent” means the County of San Diego through the office of the Treasurer of the County, or any successor thereto as Paying Agent for the Refunding Bonds, appointed as provided herein or such other entity designated as paying agent by the Authorized District Representative pursuant hereto.

“Paying Agent Agreement” means the Paying Agent Agreement with respect to the Refunding Bonds by and between the District and the Paying Agent, as amended from time to time.

“Person” means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision of a government or any entity whatsoever.

“Preliminary Official Statement” means the Preliminary Official Statement of the District relating to the Refunding Bonds.

“Prior Bonds” means the San Dieguito Union High School District 2015 General Obligation Bonds (Election of 2012), Series B-2 (Tax-Exempt).

“Record Date” means the fifteenth day of the month prior to an Interest Payment Date, whether or not such day is a Business Day.

“Refunded Bonds” means the portions of the outstanding Prior Bonds that are being refunded on an advance basis by the Refunding Bonds.

“Refunding Bonds” means the San Dieguito Union High School District 2021 General Obligation Refunding Bonds issued pursuant to this District Resolution.

“Registration Books” means the records maintained by the Paying Agent for the registration of ownership and registration of transfer of the Refunding Bonds pursuant to Section 10(e) hereof.

“Representation Letter” means the Letter of Representations from the District to DTC, or any successor securities depository for the Refunding Bonds, in which the District makes certain representations with respect to issues of its securities for deposit by DTC or such successor depository.

“Tax Certificate” means the Tax Certificate with respect to any Tax-Exempt Bonds, executed by the District, dated the date of issuance of the Refunding Bonds.

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

“Taxable Bonds” means those Refunding Bonds the interest on which is not Tax-Exempt.

“**Treasurer**” means the Treasurer-Tax Collector of the County or any authorized deputy thereof.

“**Underwriter**” means, with respect to the Refunding Bonds, Piper Sandler & Co.

“**Written Certificate**” and “**Written Request**” of the County or the District mean, respectively, a written certificate or written request signed in the name of the County or the District, as applicable, by an Authorized District Representative thereof. Any such certificate or request may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument.

Section 3. Authority for Issuance; Maximum Principal Amount; Designation of Bonds. The Board 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 “San Dieguito Union High School District 2021 General Obligation Refunding Bonds” (with appropriate series and other designations to be inserted) (herein collectively called the “Refunding Bonds”), in an aggregate principal amount not to exceed \$130,000,000, which amount shall be finally determined by the Authorized District Representative, in accordance with the provisions of Section 6 hereof and with the general laws of the State of California (the “State”).

Proceeds from the sale of the Refunding Bonds, including all premium received from such sale, are hereby authorized to be applied only as permitted by Articles 9 and 11 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 Refunded Bonds upon redemption thereof; to pay all expenses incident to the calling, retiring or paying of the Refunded Bonds and to the issuance of the Refunding Bonds, including: 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 Refunded Bonds; interest upon the Refunded Bonds from the dated date of the Refunding Bonds to the maturity or earlier redemption of the Refunded Bonds; any premium payable upon the redemption of the Refunded Bonds; fees of Bond Counsel, Disclosure Counsel and the Municipal Advisor; verification agent fees; rating agency fees; costs of issuance custodian fees; and bidding agent fees. The Board 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 refunding the Refunded Bonds.

Section 4. Bond Purchase Agreement; Sale of Bonds. The Bond Purchase Agreement for the Refunding Bonds, in substantially the form submitted to this Board, is hereby approved, and an Authorized District Representative is hereby authorized and directed on behalf of the District to execute and deliver a Bond Purchase Agreement providing for the sale by the District and the purchase by the Underwriter of the Refunding Bonds at a purchase price to be set forth therein, determining thereby the redemption provisions for the Refunding Bonds, the maturity schedule, interest rates and purchase price and providing for payment of costs of issuance for the Refunding Bonds; provided, that (i) the interest rate on the Refunding Bonds shall not exceed 8.0% per annum; (ii) the true interest cost for the Refunding Bonds shall not be in excess of 5.0%; (iii) the final maturity of the Refunding Bonds shall not exceed February 1, 2040, the last maturity date of the Refunded Bonds; (iv) the Underwriter compensation (exclusive of costs of issuance and bond insurance premiums, if any) shall not exceed 0.4% of the principal amount of

the Refunding Bonds; (v) savings shall be achieved such that the total net interest cost to maturity on the Refunding Bonds plus the principal amount of the Refunding Bonds shall not exceed the total net interest cost to maturity on the Prior Bonds to be refunded plus the principal amount of the Prior Bonds to be refunded, in accordance with Section 53552 of the Government Code; (vi) subject to the provisions of Section 8 hereof, the Refunding Bonds shall be subject to redemption, together with interest accrued thereon to the date of redemption, without premium, at the option of the District beginning no later than the 10th anniversary of the date of issuance; and (vii) the Refunding 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 District of any changes or revisions therein from the form of Bond Purchase Agreement subsequently approved by this Board. For purposes of this Section, the term “costs of issuance” may include, but not be limited to, the following: (i) the fees and disbursements of bond counsel and disclosure counsel; (ii) the costs of the preparation and delivery of the Refunding Bonds; (iii) the fees for bond ratings, including all related travel; (iv) the costs of the preparation, printing and distribution of the Preliminary Official Statement and the Official Statement; (v) the fees of the paying agent, costs of issuance custodian, verification agent and bidding agent; and (vi) all other fees and expenses incident to the defeasance of debt service and refunding of the Refunded Bonds and the issuance and sale of the Refunding Bonds.

The Bond Purchase Agreement shall recite the date thereof and the principal amounts, maturity dates, interest rates, and principal amounts of each maturity of the Refunding Bonds, and the terms of optional, extraordinary and mandatory sinking fund redemption thereof.

The Board hereby finds and determines that the sale of the Refunding Bonds at negotiated sale as contemplated herein and by the Bond Purchase Agreement will (1) better ensure that the tax rate estimated to voters at the time of the election will be maintained; (2) provide more flexibility in the timing of the sale of the Refunding Bonds; (3) result in a lower overall cost of borrowing; (4) provide more flexibility in the debt structure; (5) allow the District to work with participants familiar with the District; and (6) increase the opportunity to pre-market the Refunding Bonds for sale to local residents and other investors. Estimates of the costs associated with the issuance of the Refunding Bonds, including any such costs which the Underwriter may agree to pay pursuant to the Bond Purchase Agreement, are set forth on Exhibit C attached hereto and incorporated herein.

Section 5. Form of Bonds; Execution. (a) *Book-Entry.* The Depository Trust Company, New York, New York, is hereby appointed depository for the Refunding Bonds. The Refunding Bonds shall be issued in book-entry form only, and shall be initially registered in the name of “Cede & Co.,” as nominee of DTC, and registered ownership of the Refunding Bonds may not thereafter be transferred except as provided in Section 11 hereof. One bond certificate shall be issued for each series and maturity of the Refunding Bonds; provided that if different CUSIP numbers are assigned to Bonds maturing in a single year or, if Bonds maturing in a single year are issued with different interest rates, additional Bond certificates shall be prepared for each such Bond.

(b) *Form of Bonds.* The Refunding Bonds and the certificate of authentication and registration and the form of assignment to appear on each of them, 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 District Resolution.

(c) *Execution of Bonds.* The Refunding Bonds shall be signed by the manual or facsimile signature of the President of the Board of Trustees, and countersigned by the manual or facsimile signature of the Clerk of the Board of Trustees or the Secretary of the Board of Trustees. The Refunding Bonds shall be authenticated by a manual signature of a duly authorized signatory of the Paying Agent.

(d) *Valid Authentication.* Only such of the Refunding Bonds as shall bear thereon a certificate of authentication and registration as described in subsection (b), executed by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this District Resolution, and such certificate of authentication and registration 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 District Resolution.

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

Section 6. Terms of Bonds. (a) *Date of Bonds.* The Refunding Bonds shall be dated the date of their delivery, or such other date as shall be set forth in the Bond Purchase Agreement.

(b) *Denominations.* The Refunding Bonds of each Series 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.

(c) *Maturity.* The Refunding Bonds shall mature on the date or dates, in each of the years, and in such principal amounts as shall be set forth in the Bond Purchase Agreement.

(d) *Interest.* The interest on the Refunding Bonds shall be payable in like 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, whether or not such day is a Business Day. 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; or upon written request of the Owner of 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 11(e) hereof.

Subject to legal restrictions in place at the time of issuance of the Refunding Bonds, any series of Refunding Bonds may be issued such that the interest on such series of Refunding Bonds is Tax-Exempt or such that the interest on such series of Refunding Bonds is not Tax-Exempt. The Board of Trustees hereby finds and determines that, pursuant to Section 5903 of the Government Code, the interest payable on any series of Refunding Bonds issued as Taxable Bonds will be subject to federal income taxation under the Code in existence on the date of issuance of such series of Refunding Bonds.

Section 7. Security and Payment from Taxes. (a) *Request for Tax Levy.* The money for the payment of the principal of, premium, if any, and interest on outstanding Refunding Bonds shall be raised by *ad valorem* taxation without limitation as to rate or amount (except with respect to certain personal property which is taxable at limited rates) upon all taxable property in the District, and provision shall be made by the County for the levy and collection, and deposit into the applicable account of the Interest and Sinking Fund, of such taxes in the manner provided by law. The County shall cause amounts on deposit in the Interest and Sinking Fund to be transferred to the Paying Agent for payment of the principal of, premium, if any, and interest on outstanding Refunding Bonds when due.

(b) *Principal and Interest and Sinking Fund.* Principal and interest due on the Refunding Bonds shall be paid from the Interest and Sinking Fund of the District as provided in Section 15251 of the Education Code.

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

(d) *Pledge of Tax Revenues.* The District hereby pledges all revenues from the property taxes collected from the levy by the County Board of Supervisors for the payment of outstanding bonds of the District heretofore or hereafter issued pursuant to voter-approved measures of the District, including refunding bonds of such bonds and the Refunding Bonds (for the purpose of this pledge, hereinafter collectively referred to as the “Bonds”), and amounts on deposit in the Interest and Sinking Fund of the District to the payment of the principal or redemption price of and interest on the Bonds. This pledge shall be valid and binding from the date hereof for the benefit of the owners of the Bonds and successors thereto. The property taxes and amounts held in the Interest and Sinking Fund of the District shall be immediately subject to this pledge, and the pledge shall constitute a lien and security interest which shall immediately attach to the property taxes and amounts held in the Interest and Sinking Fund of the District to secure the payment of the Bonds and shall be effective, binding, and enforceable against the District, its successors, creditors and all others irrespective of whether those parties have notice of the pledge and without the need of any physical delivery, recordation, filing, or further act.

The pledge is an agreement between the District and the bondholders to provide security for the Refunding Bonds in addition to any statutory lien that may exist, and the Refunding Bonds and each of the other Bonds secured by the pledge are or were issued to finance or refinance one or more of the projects specified in the applicable voter-approved measure.

Section 8. Redemption Provisions. (a) *Optional Redemption.* The Refunding Bonds may be subject to redemption, at the option of the District, on the dates and terms as shall be designated in the Bond Purchase Agreement. The Bond Purchase Agreement may provide that all or a portion of the Refunding Bonds shall not be subject to optional redemption.

(b) *Selection.* If less than all of the Refunding Bonds are subject to such redemption and are called for redemption, such Refunding Bonds shall be redeemed in inverse order of maturities or as otherwise directed by the District (or as otherwise set forth in the Bond Purchase Agreement), and if less than all of the 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 (or as otherwise set forth in the Bond Purchase Agreement).

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

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

Each notice of redemption shall state (i) the date of such notice; (ii) the name of the Refunding Bonds and the date of issue of the Refunding Bonds; (iii) the redemption date; (iv) the redemption price; (v) the series of Refunding Bonds and the dates of maturity or maturities of Refunding Bonds to be redeemed; (vi) if less than all of the Refunding Bonds of a series of any maturity are to be redeemed, the distinctive numbers of the Refunding Bonds of each maturity of such series to be redeemed; (vii) in the case of Refunding Bonds of a series redeemed in part only, the respective portions of the principal amount of the Refunding Bonds of each maturity of such series to be redeemed; (viii) the CUSIP number, if any, of each maturity of Refunding Bonds of a series to be redeemed; (ix) a statement that such Refunding Bonds must be surrendered by the Owners at the principal corporate trust office of the Paying Agent, or at such other place or places designated by the Paying Agent; (x) notice that if sufficient funds are on deposit for such redemption, further interest on such Refunding Bonds will cease to 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.

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

When notice of redemption has been given substantially as provided for herein, and when the redemption price of the Refunding Bonds called for redemption is set aside for such purpose, the Refunding Bonds designated for redemption shall become due and payable on the specified redemption date and interest shall 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 shall be redeemed and paid at the redemption price thereof out of the money provided therefor. The Owners of such Refunding Bonds so called for redemption after such redemption date shall be entitled to payment thereof only from the Interest and Sinking Fund or the escrow fund established for such purpose. All Refunding Bonds redeemed shall be cancelled forthwith by the Paying Agent and shall not be reissued.

(f) *Right to Rescind Notice.* The District may rescind any optional redemption and notice thereof for any reason on any date prior to the date fixed for redemption by causing written notice of the rescission to be given to the owners of the Refunding Bonds so called for redemption. Any optional redemption and notice thereof shall be rescinded if for any reason on the date fixed for redemption moneys are not available in the Interest and Sinking Fund 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 shall 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 shall not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice shall not affect the validity of the rescission.

(g) *Conditional Notice.* Any notice of optional redemption delivered hereunder may be conditioned on any fact or circumstance stated therein, and if such condition shall not have been satisfied on or prior to the redemption date stated in such notice, said notice shall be of no force and effect on and as of the stated redemption date, the redemption shall be cancelled, and the District shall not be required to redeem the Refunding Bonds that were the subject of the notice. The Paying Agent shall 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 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.

(h) *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 redemption prices as in this Resolution provided, the Refunding Bonds designated in the notice of redemption. Such moneys shall be applied on or after the redemption date solely for payment of principal of, interest 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. 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, the 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 such fund. If no such bonds of the District are at such time outstanding, the moneys shall be transferred to the general fund of the District as provided and to the extent permitted by law.

Section 9. Defeasance of Bonds. (a) *Payment Discharge.* If at any time the District shall pay or cause to be paid or there shall otherwise be paid to the Owners of any or all of the outstanding Refunding Bonds all or any part of the principal of, and interest and premium, if any, on the Refunding Bonds at the times and in the manner provided herein and in the Refunding Bonds, or as provided in the following paragraph, or as otherwise provided by law consistent herewith, then such Owners shall cease to be entitled to the obligation of the District to levy taxes for the payment of such Refunding Bonds as provided in Section 7 hereof, and such obligation and all agreements and covenants of the District and of the County 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 the principal of, and interest and premium, if any, on the Refunding Bonds, but only out of moneys on deposit in the Interest and Sinking Fund or otherwise held in trust for such payment; and provided further, however, that the provisions of this Section shall apply in all events.

(b) *Defeasance Procedures.* For purposes of this Section, 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, selected by the District, at or before maturity, money or Defeasance Securities, 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 to pay and discharge the indebtedness on such Refunding Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates. Any Outstanding Bond shall, prior to the maturity date or redemption date thereof, be deemed to have been paid within the meaning of and with the effect expressed in this Resolution if (i) for such Refunding Bonds to be redeemed on any date prior to their maturity date, the District shall have given to the Paying Agent or an escrow agent in form satisfactory to it irrevocable instructions to mail notice of redemption of such Bond on said redemption date, said notice to be given in accordance with the required notice provisions hereof, (ii) there shall have been deposited with the Paying Agent or an escrow agent either (A) money in an amount which shall be sufficient, or (B) Defeasance Securities, the principal of and the interest on which when due, and without any reinvestment thereof, together with any money deposited therein, will provide moneys which shall be sufficient to pay when due the principal of, premium, if any, and interest on such Refunding Bond, and (iii) in the event such Refunding Bond is not by its terms subject to redemption within the next succeeding 60 days, the District shall have given the Paying Agent or an escrow agent in form satisfactory to it irrevocable instructions to mail, as soon as practicable, a notice to the Owners of such Refunding Bond that the deposit required by clause (ii) above has been made with the Paying Agent or an escrow agent and that such Refunding Bond is deemed to have been paid in accordance with this Resolution and stating the maturity date or redemption date upon which money is to be available for the payment of the principal of, premium, if any, and interest on such Refunding Bond.

No Refunding Bond shall be deemed to have been paid pursuant to (a) above unless the District shall have caused to be delivered (i) an executed copy of a verification report with respect to such deemed payment, addressed to the District and the Paying Agent or escrow agent, in form and in substance acceptable to the District and the Paying Agent or escrow agent, and (ii) a copy of the escrow agreement entered into in connection with the deposit pursuant to clause (b) above resulting in such deemed payment, which escrow agreement shall provide that no substitution of Defeasance Securities shall be permitted except with other Defeasance Securities and upon delivery of a new verification report, and no reinvestment of Defeasance Securities shall be permitted except as contemplated by the original verification report or upon delivery of a new verification report.

(c) *Unclaimed Moneys.* Any money held in any fund created pursuant to this Resolution, or by the Paying Agent or an escrow agent in trust, for the payment of the principal of, redemption premium, if any, or interest on the Refunding Bonds or the Refunded Bonds and remaining unclaimed for one year after the principal of all of the Refunding Bonds or the Refunded Bonds has become due and payable (whether by maturity or upon prior redemption) shall be transferred to the Interest and Sinking Fund of the District for payment of any outstanding bonds of the District payable from the fund; or, if no such bonds of the District are at such time outstanding, the moneys shall be transferred to the general fund of the District as provided and permitted by law.

Section 10. Paying Agent. (a) *Appointment.* Subject to approval by the County, the Treasurer will be the initial Paying Agent for the Refunding Bonds. If the County declines the appointment of Paying Agent, the Authorized District Representative shall designate a bank or other financial institution meeting the requirements of (e)(iii) below to serve as Paying Agent for the Refunding Bonds.

(b) *Principal Corporate Trust Office.* Unless otherwise specifically noted, any reference herein to the Paying Agent shall initially mean the Treasurer, and any reference herein to the “principal corporate trust office” of the Paying Agent for purposes of transfer, registration, exchange, payment and surrender of the Refunding Bonds shall initially mean the office of the Treasurer in San Diego, California; provided, however, that in any case “Paying Agent” shall refer to any successor paying agent/registrar or transfer agent for the Refunding Bonds, and “principal corporate trust office” shall include the principal corporate trust office or other office of such successor Paying Agent designated thereby for a particular purpose.

(c) *Registration Books.* The Paying Agent will keep or cause to be kept at its principal corporate trust office sufficient books for the registration and transfer of the Refunding Bonds, which, upon reasonable notice, shall at all times be open to inspection by 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 provided in Section 11 hereof.

(d) *Payment of Fees and Expenses.* The fees and expenses of the Paying Agent not paid from the proceeds of sale of the Refunding Bonds shall be paid in each year from the Interest and Sinking Fund of the District, insofar as permitted by law, including specifically by Section 15232 of the Education Code.

(e) *Replacement or Resignation of Paying Agent.*

(i) The Treasurer may resign at any time and be discharged of its duties and obligations as Paying Agent hereunder by giving written notice thereof to the District. If the Treasurer resigns, prior to the effective date of the resignation, the Treasurer or the District, with the Consent of the Treasurer, shall appoint a successor Paying Agent. In the event of resignation of the Treasurer as Paying Agent, upon receipt of moneys representing the principal and interest on the Refunding Bonds, the successor Paying Agent shall be responsible for the actual payment to the bondholders and cancellation of any Refunding Bonds or coupons.

(ii) If, at any time, the District shall determine, with the written consent of the Treasurer, to replace the Paying Agent then acting hereunder, or if the Paying Agent shall submit its resignation, then the District shall immediately appoint a successor paying agent to act as Paying Agent hereunder; provided that, if an instrument of acceptance by a successor Paying Agent shall not have been delivered to the Treasurer and the District within thirty days after the Paying Agent gives notice of resignation, the Paying Agent may petition any court of competent jurisdiction at the expense of the District for the appointment of a successor Paying Agent, unless the Treasurer shall agree to act as paying agent hereunder until such successor paying agent is able to assume the duties of Paying Agent hereunder.

(iii) If, at any time, the Treasurer is not the Paying Agent, the Authorized District Representative shall appoint a successor Paying Agent, with the consent of the Treasurer, which shall be any bank, trust company, national banking association or other financial institution doing business in and having a corporate trust office in California, with at least \$500,000,000 in net assets.

(f) *Ownership of Bonds Permitted.* The Paying Agent may become the Owner of any Bonds.

Section 11. Transfer Under Book-Entry System; Discontinuation of Book-Entry System. (a) Unless otherwise specified in the Bond Purchase Agreement, DTC is hereby appointed depository for each series of the Refunding Bonds and the Refunding Bonds shall be issued in book-entry form only, and shall be initially registered in the name of “Cede & Co.,” as nominee of DTC. One bond certificate shall be issued for each maturity of each series or subseries of the Refunding Bonds; provided, however, that if different CUSIP numbers are assigned to Refunding Bonds of a series or subseries maturing in a single year or, if Refunding Bonds of the same series or subseries maturing in a single year are issued with different interest rates, additional bond certificates shall be prepared for each such maturity. Registered ownership of such Refunding Bonds of each such maturity, or any portion thereof, may not thereafter be transferred except to any successor of DTC, or its nominee, or to any substitute depository designated by the District (a “substitute depository”); provided, however that any successor of DTC, as nominee of DTC or substitute depository, shall be qualified under any applicable laws to provide the services proposed to be provided by it or to any person as provided in (b) below if no substitute depository is designated.

(b) In the case of any transfer to a substitute depository, upon receipt of the outstanding Refunding Bonds by the Paying Agent, together with a written request of the District

to the Paying Agent, a new Refunding Bond for each maturity shall be executed and delivered in the aggregate principal amount of such 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 by the District. In the case of any transfer required where no substitute depository is designated, upon receipt of the outstanding Refunding Bonds by the Paying Agent together with a written request of the District to the Paying Agent, 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 5 hereof 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 this Section.

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

(d) 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, and neither the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to the beneficial owners or to any other party, including DTC or its successor (or substitute depository or its successor), except for the Owner of any Refunding Bonds.

(e) 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 registered 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 on the date they are due.

Section 12. Transfer and Exchange. (a) *Transfer.* Following the termination or removal of DTC or successor depository pursuant to Section 11 hereof, any Refunding Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the Owner thereof, in person or by the duly authorized attorney of such Owner, upon surrender of such Refunding Bond to the Paying Agent for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Paying Agent.

Whenever any Refunding Bond or Refunding Bonds shall be surrendered for transfer, the designated District officials shall execute, and the Paying Agent shall authenticate and deliver, as provided in Section 5 hereof, a new Refunding Bond or Refunding Bonds of the same maturity for a like aggregate principal amount and bearing the same rate of interest. The Paying Agent may require the payment by any Owner of Refunding Bonds requesting any such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

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

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

Whenever any Refunding Bond or Refunding Bonds shall be surrendered for exchange, the designated District officials shall execute, and the Paying Agent shall authenticate and deliver, as provided in Section 5 hereof, a new Refunding Bond or Refunding Bonds of the same maturity and interest rate and for a like aggregate principal amount. The Paying Agent may require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

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

Section 13. Paying Agent Agreement. The Paying Agent Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, is hereby approved, and each Authorized District Representative is hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver one or more instruments in substantially said form, with such changes, insertions and omissions as the Authorized District Representative executing the same may require or approve, such determination, requirement or approval to be conclusively evidenced by the execution of the Paying Agent Agreement by such Authorized District Representative.

Section 14. Preliminary Official Statement. The Preliminary Official Statement to be distributed in connection with the public offering of the Refunding Bonds, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, with such changes, insertions and omissions as may be approved by an Authorized District Representative, is hereby approved, and the use of such Preliminary Official Statement by the Underwriter in connection with the offering and sale of the Refunding Bonds is hereby authorized and approved. Each Authorized District Representative is hereby authorized to certify on behalf of the District that such Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 (except for the omission of certain final pricing, rating and related information as permitted by Rule 15c2-12).

Section 15. Official Statement. The preparation and delivery of an Official Statement with respect to the Refunding Bonds, and its use by the Underwriter in connection with the offering and sale of the Refunding Bonds, is hereby authorized and approved. Such Official Statement shall be in substantially the form of the Preliminary Official Statement distributed in connection with the public offering of the Refunding Bonds with such changes, insertions and omissions as may be approved by an Authorized District Representative, such approval to be conclusively

evidenced by the execution and delivery thereof. Each Authorized District Representative is hereby authorized and directed, for and in the name of and on behalf of the District, to execute the final Official Statement with respect to the Refunding Bonds and any amendment or supplement thereto and thereupon to cause such final Official Statement and any such amendment or supplement to be delivered to the Underwriter.

Section 16. Escrow Agreement. The form of Escrow Agreement, in substantially the form submitted to this Board, is hereby approved, and the Authorized District Representative is hereby authorized and directed on behalf of the District to execute and deliver the Escrow Agreement in substantially said form, with such changes, additions and corrections thereto as the Authorized District Representative may require or approve, including the designation of such other bank than U.S. Bank National Association, as Escrow Agent, and the District's approval of the Escrow Agreement shall be conclusively evidenced by the execution and delivery thereof.

Section 17. Investment of Funds. The proceeds of sale of the Refunding Bonds shall be deposited pursuant to the Escrow Agreement and the costs of issuance custodial agreement. Proceeds of the taxes for the payment of the Refunding Bonds, as provided by law, shall be deposited upon receipt in the Interest and Sinking Fund of the District with the County treasurer.

All funds held by the Treasurer with respect to the Refunding Bonds shall be invested by the Treasurer in the County Investment Pool, the Local Agency Investment Fund, any investment authorized by this Resolution or pursuant to Sections 53601 and 53635 of the Government Code, or 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 each rating agency then rating the Refunding Bonds necessary in order to maintain the then-current rating on the Refunding Bonds.

The Authorized District Representative may request the Treasurer, subject to his or her fiduciary responsibilities, to invest funds held in the Interest and Sinking Fund of the District and in the Building Fund of the District or otherwise under this Resolution in specific investments or in Investment Agreements so as to effectively coordinate the investments to the construction program of the District and the debt service payments on the Refunding Bonds. The Authorized District Representative is hereby authorized to establish accounts with banking institutions to the extent necessary or convenient to provide for the management of any such investments outside the County Investment Pool.

Pursuant to Section 5922 of the Government Code, this Board hereby finds and determines that in such event 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 Refunding Bonds or to enhance the relationship between risk and return with respect to investments of proceeds of the Refunding Bonds and funds held to pay the Refunding Bonds.

Section 18. Continuing Disclosure Certificate. The Continuing Disclosure Certificate, in substantially the form submitted to this meeting (and included as an appendix to the

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

Section 19. Tax Covenants. 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 a series of Tax-Exempt Refunding Bonds under Section 103 of the Code. Without limiting the generality of the foregoing, the District hereby covenants that it will comply with the requirements of the Tax Certificate to be executed by the District on the date of issuance of any series of Tax-Exempt Refunding Bonds. The provisions of this subsection (a) shall survive payment in full or defeasance of the Refunding Bonds.

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

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

Section 20. Professional Services. Fieldman, Rolapp & Associates, Inc. shall serve as Municipal Advisor to the District for the Refunding Bonds. Stradling Yocca Carlson & Rauth, a Professional Corporation, shall serve as Disclosure Counsel to the District for the Refunding Bonds. Orrick, Herrington & Sutcliffe LLP shall serve as Bond Counsel to the District for the Refunding Bonds. Piper Sandler & Co. shall serve as Underwriter for the Refunding Bonds.

Section 21. Delegation of Authority. Each Authorized District Representative is 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, and to execute and deliver any and all contracts or agreements, including, but not limited to, agreements with paying agents, escrow agent, commitment letters, depository agreements (including for the payment of issuance costs), consultant contracts, printing contracts, and similar contracts relating to issuance of the Refunding Bonds, or the investment of the proceeds, and all certificates and

representations, including signature certificates, no-litigation certificates, certificates concerning the contents of the Official Statement, representation letters to DTC, continuing disclosure filings and any other certificates proposed to be distributed in connection with the Refunding Bonds, which any of them deem necessary or desirable to accomplish the transactions authorized herein and to prepare and revise, as such officer determines appropriate, post-issuance compliance procedures to ensure continued compliance by the District with the covenants related to the Refunding Bonds. Each Authorized District Representative is also authorized to execute and deliver more than one of each or any of the documents approved by this Resolution should such Authorized District Representative determine, in consultation with the Municipal Advisor and Bond Counsel, that it is necessary or desirable to do so. All actions heretofore taken by the officers, employees and agents of the District with respect to the transactions set forth above are hereby approved, confirmed and ratified.

Section 22. Notice to California Debt and Investment Advisory Commission. Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District, on behalf of this Board 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 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 23. Filing with Board of Supervisors. The Superintendent, or such other officer or employee of the District as the Superintendent may designate, is hereby authorized and directed to file a certified copy of this Resolution with the Clerk of the Board of Supervisors of the County. The Authorized District Representative is hereby authorized and directed to report to the Auditor and Controller of the County the final terms of sale of the Refunding Bonds, and to file with the Auditor and Controller of the County and with the Treasurer a copy of the executed Bond Purchase Agreement, and the schedule of amortization of the principal of and payment of interest on the Refunding Bonds, and this Resolution and said report shall serve as the request and notice to the Auditor and Controller of the County and the Board of Supervisors of the County to propose and adopt in each year a tax rate applicable to all taxable property of the District for payment of the Refunding Bonds, pursuant to law, and to the other officers of the County to levy and collect said taxes for the payment of the Refunding Bonds and to pay in a timely manner to the Paying Agent on behalf of the Owners of the Refunding Bonds the principal, interest, and premium, if any, due on the Refunding Bonds in each year.

Section 24. 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 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 25. Electronic Signatures; DocuSign. This Board 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 26. 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 27. **Effective Date.** This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this day, April 22, 2021.

President of the Board of Trustees of the
San Dieguito Union High School District

ATTEST:

Clerk of the Board of Trustees of the
San Dieguito Union High School District

EXHIBIT A**FORM OF REFUNDING BOND**

Number	UNITED STATES OF AMERICA	Amount
R-__	STATE OF CALIFORNIA	\$_____
	COUNTY OF SAN DIEGO	

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
2021 GENERAL OBLIGATION REFUNDING BONDS
[(FEDERALLY TAXABLE)]

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Dated as of</u>	<u>CUSIP NO.</u>
August 1, 20__	____%	_____, 2021	_____

Registered Owner: CEDE & CO.

Principal Sum: _____ DOLLARS

San Dieguito Union High School District of San Diego County, State of California (herein called the "District"), acknowledges itself obligated to and promises to pay to the registered owner identified above or registered assigns, only from taxes collected by the County of San Diego (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 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 August 1, 2021, and thereafter on February 1 and August 1 in each year (each, an "interest payment date"), until payment of said principal sum. If this bond is authenticated and registered on any date on or prior to July 15, 2021, it shall bear interest from the date of issuance 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 principal office (as that term is described in the Paying Agent Agreement hereafter described) of the County of San Diego, Office of the Treasurer-Tax Collector of the County (herein, together with any successor thereto, called the "Paying Agent"), the paying agent/registrar and transfer agent of the District. 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, whether or not such day is a business day, 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 Resolution hereinafter described.

This bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying series, numbers, denominations, interest rates, maturities and redemption provisions), amounting in the aggregate to \$_____, designated as “San Dieguito Union High School District 2021 General Obligation Refunding Bonds [(Federally Taxable)]” (the “Bonds”). The Bonds were authorized by a vote of at least 55% percent of the voters voting at an election duly and legally called, held and conducted in the District on November 6, 2012. The Bonds were authorized by a resolution approved by the Board of Trustees of the District (the “Board”) on April 22, 2021 (the “Resolution”) and are issued and sold pursuant to the Resolution and a Paying Agent Agreement (the “Paying Agent Agreement”), dated as of June 1, 2021, between the District and the Paying Agent. Reference is made to the Resolution 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 the payment of the Bonds and all of the terms of the Resolution are hereby incorporated herein and constitute a contract between the District and the owner of this Bond, to all the provisions of which the owner of this Bond, by acceptance hereof, agrees and consents. Capitalized undefined terms used herein have the meanings ascribed thereto in the Resolution. The Bonds are issued and sold by the District pursuant to and in strict conformity with the provisions of the Resolution, the Paying Agent Agreement and of the Constitution and laws of the State of California, specifically under the authority of Articles 9 and 11 of Chapter 3 of Part I of Division 2 of Title 5 of the Government Code of the State of California to refund certain Prior Bonds.

The Bonds are issuable as fully registered bonds without coupons in the denomination of \$5,000 principal amount or any integral multiple thereof, provided that no 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 and Resolution, Bonds may be exchanged for a like aggregate principal amount of Bonds of the same 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 Resolution, and upon surrender and cancellation of this Bond. Upon such transfer, a new Bond or Bonds of authorized denomination or denominations for the same maturity, interest rate, and same aggregate principal amount will be issued to the transferee in exchange herefor.

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

[The Bonds are subject to optional and mandatory sinking fund redemption on the terms and subject to the conditions specified in the Bond Purchase Agreement, and as shown in

the attached Redemption Schedule. If this bond is called for redemption and payment is duly provided therefor, interest shall cease to accrue hereon from and after the date fixed for redemption.]

The Board 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, that this Bond is in the form prescribed by the Resolution and shall be payable out of the Interest and Sinking Fund of the District, and the money for the payment of the principal of this Bond, premium, if any, and the payment of interest hereon, 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 Trustees of the San Dieguito Union High School District, County of San Diego, State of California, has caused this bond to be signed by its President and countersigned by the Clerk of said Board, as of the dated date set forth above.

By: _____
President of the Board of Trustees of the
San Dieguito Union High School District

Countersigned:

Clerk of the Board of Trustees of the
San Dieguito Union High School District

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is one of the Bonds described in the within-mentioned Resolution and authenticated and registered on _____, 2021.

County of San Diego, Office of the Treasurer-Tax
Collector of the County of San Diego, as Paying
Agent/Registrar and Transfer Agent

By: _____
Authorized Officer

DTC LEGEND

Unless this Bond is presented by an Authorized District Representative of The Depository Trust Company, a New York corporation (“DTC”), to District or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an Authorized District Representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an Authorized District 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.

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.

REDEMPTION SCHEDULE

EXHIBIT B**GOOD FAITH ESTIMATES****San Dieguito Union High School District
2021 General Obligation Refunding Bonds**

The following information was obtained from Fieldman, Rolapp & Associates, Inc., as the Municipal Advisor in connection with the above-captioned bonds (the “Refunding Bonds”) approved in the attached Resolution, and is provided in compliance with Section 15146(b)(4) of the Education Code of the State of California and Senate Bill 450 (Chapter 625 of the 2017-18 Session of the California Legislature) with respect to the Refunding Bonds:

1. *True Interest Cost of the Refunding Bonds.* Assuming a principal amount of the Refunding Bonds of \$32,570,000 (the “Principal Amount”) are sold and based on market interest rates prevailing at the time of preparation of this information, a 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 2.448%.

2. *Finance Charge of the Refunding Bonds.* Assuming the Principal Amount is sold and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the finance charge of the Refunding Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Refunding Bonds), is \$285,280.

3. *Amount of Proceeds to be Received.* Assuming the Principal Amount is sold and based on market interest rates prevailing at the time of preparation of this information, a 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 described in paragraph 2 above and any reserves or capitalized interest paid or funded with proceeds of the Refunding Bonds, is \$32,284,209.05.

4. *Total Payment Amount.* Assuming the Principal Amount is sold and based on market interest rates prevailing at the time of preparation of this information, a 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 of the Refunding Bonds described in paragraph 2 above not paid with the proceeds of the Refunding Bonds, calculated to the final maturity of the Refunding Bonds, is \$41,885,736.88.

Attention is directed to the fact that the foregoing information constitutes good faith estimates only. The actual interest cost, finance charges, amount of proceeds and total payment amount may vary from the estimates above due to variations from these estimates in the timing of bond sales, the amount of Refunding Bonds sold, the amortization of the Refunding Bonds sold and market interest rates at the time of sale. The actual interest rates at which the Refunding Bonds will be sold will depend on the Refunding Bond market at the time of each sale. The actual amortization of the Refunding Bonds will also depend, in part, on market interest rates at the time

of sale. Market interest rates are affected by economic and other factors beyond the District's control.

EXHIBIT C**ESTIMATED COSTS OF ISSUANCE****\$32,570,000*****San Dieguito Union High School District
2021 General Obligation Refunding Bonds**

<u>Service</u>	<u>Firm</u>	<u>Payable at Closing*</u>
Bond Counsel	Orrick, Herrington & Sutcliffe LLP	\$ 55,000.00
Disclosure Counsel Fees and Expenses	Stradling Yocca Carlson & Rauth, a Professional Corporation	10,500.00
Municipal Advisor	Fieldman, Rolapp & Associates, Inc.	24,750.00
Municipal Advisor – Expenses	Fieldman, Rolapp & Associates, Inc.	450.00
Reimbursement for CalMuni Report	Fieldman, Rolapp & Associates, Inc.	442.50
District Counsel	Laura Romano	5,000.00
Paying Agent	County of San Diego	1,500.00
Escrow Agent	U.S. Bank National Association	1,750.00
COI Custodian	U.S. Bank National Association	1,500.00
Verification Agent	Causey Demgen & Moore P.C.	2,500.00
Rating Agency	S&P Global Ratings	25,000.00
Rating Agency	Moody’s Investors Service	23,500.00
Printer	AVIA Communications	600.00
Contingency	N/A	2,507.50
Total Costs of Issuance		\$155,000.00

Underwriter’s discount not to exceed 0.4% of the aggregate principal amount of Refunding Bonds.

* Preliminary, subject to change.

CLERK’S CERTIFICATE

I, Katrina Young, Clerk of the Board of Trustees of the San Dieguito Union High School District (the “District”), County of San Diego, California, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Trustees of the District duly and regularly held at the regular meeting place thereof on April 22, 2021, and entered in the minutes thereof, of which meeting all of the members of the Board of Trustees had due notice and at which a quorum thereof was present, and that at said meeting the resolution was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

An agenda of the meeting was posted at least 72 hours before the meeting at 710 Encinitas Boulevard, Encinitas, 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 March 17, 2020, and a brief description of the resolution appeared on the agenda.

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

Dated: _____, 2021.

Clerk of the Board of Trustees of
the San Dieguito Union High School District

Form of
Bond Purchase Agreement

BOND PURCHASE AGREEMENT

[Par Amount]
SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
(County of San Diego, California)
2021 GENERAL OBLIGATION REFUNDING BONDS
(FEDERALLY TAXABLE)

[Sale Date]

Board of Trustees
San Dieguito Union High School District
710 Encinitas Boulevard
Encinitas, CA 92024

Ladies and Gentlemen:

The undersigned, Piper Sandler & Co. (the “Underwriter”), hereby offers to enter into this Bond Purchase Agreement (the “Purchase Contract”) with the Board of Trustees of the San Dieguito Union High 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 irrevocable until such time as it is sooner accepted or rejected by the District. Upon acceptance of this offer by the District in accordance with the terms hereof, this Purchase Contract will be binding upon the District and upon the Underwriter.

1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, covenants and agreements hereinafter set forth, the Underwriter hereby agrees to purchase from the District for offering to the public, and the District hereby agrees to sell to the Underwriter for such purpose, all (but not less than all) of the \$[Par Amount] aggregate principal amount of the San Dieguito Union High School District 2021 General Obligation Refunding Bonds (Federally Taxable) (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]), and less Underwriter’s discount (\$[UW Discount]). The Underwriter’s discount does not exceed 0.4% of the aggregate principal amount of the Refunding Bonds. The present value of the debt service savings with respect to the Prior Bonds (as defined in the Paying Agent Agreement) is at least [_._] % of the aggregate principal amount of the Prior Bonds.

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 principal and not as agent or a fiduciary of or municipal advisor to the District, (iii) the Underwriter has not assumed (individually or collectively) 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.

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 the issuance resolution of the Board of Trustees of the District, adopted on April 22, 2021 (the “Resolution”), and pursuant to the terms of that certain Paying Agent Agreement, dated as of June 1, 2021 (the “Paying Agent Agreement”), to be entered into by and between the District and the County of San Diego (the “County”), acting through the Office of the Treasurer-Tax Collector (the “Treasurer-Tax Collector”), as paying agent (the “Paying Agent”) with respect to the Refunding Bonds. The Refunding Bonds shall be used to refund, on an advance basis, the Prior Bonds, pursuant to an Escrow Agreement, dated as of June 1, 2021 (the “Escrow Agreement”), to be entered into by and between the District and U.S. Bank National Association, as escrow agent (the “Escrow Agent”). The Refunding Bonds shall conform in all respects to the terms and provisions set forth in the 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 on August 1, 2021, and thereafter on February 1 and August 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 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 8 hereof, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, NY (“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 8 hereof. The Underwriter shall order CUSIP identification numbers and the District shall cause such CUSIP identification numbers to be printed on the Refunding Bonds, but neither the failure to print such number on any Refunding Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Underwriter to accept delivery of and pay for the Refunding Bonds in accordance with the terms of this Purchase Contract.

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. Subsequent to such initial public offering, the Underwriter reserves the right to change such initial public offering prices or yields as it deems 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 of this Purchase Contract, the Resolution, the Paying Agent Agreement, the Escrow Agreement, the Continuing Disclosure Certificate (as defined herein) and the Preliminary Official Statement of the District with respect to the Refunding Bonds, 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 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) 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, 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 and Agreements of the District. The District represents to and agrees with the Underwriter that, as of the date hereof and as of the date of the Closing:

(a) The District is a school district duly organized and validly existing under the Constitution and general laws of the State of California.

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

(c) The District has duly adopted the Resolution in accordance with the laws of the State of California; the 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 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, the Escrow 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 contained in this Purchase Contract, the Resolution, the Paying Agent Agreement, the Escrow Agreement and the Refunding Bonds.

(d) 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 (a)(2) 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.

(e) The Preliminary Official Statement as of its date 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 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; 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.

(f) 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 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 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 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. Unless the Underwriter otherwise advises the District that the end of the underwriting period shall be another specified date, the end of the underwriting period shall be the Closing Date.

(g) The District will undertake, pursuant to 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 all material respects with any previous undertakings pursuant to Rule 15c2-12.

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

(i) 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.

(j) 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 deposit and investment of Refunding Bond proceeds. In particular, the District hereby agrees to provide to the Treasurer-Tax Collector a copy of the Resolution, a copy of Appendix A hereto, and the full debt service schedule for the Refunding Bonds.

(k) 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 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.

(l) To the best knowledge of the District, the issuance of the Refunding Bonds, and the execution, delivery and performance of the Resolution, the Paying Agent Agreement, this Purchase Contract and the Refunding 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.

(m) As of the time of acceptance hereof, no action, suit, proceeding, hearing or investigation is pending or, to the best knowledge of the District, threatened against the District: (i) in any way affecting the existence of the District or in any way challenging the respective powers of the several offices 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 application of the proceeds of the sale of the Refunding Bonds, or the collection or levy of taxes contemplated by the Resolution and available to pay the principal of and interest on the Refunding Bonds, or in any way contesting or affecting the validity or enforceability of the Refunding Bonds, the Resolution, the Paying Agent Agreement, Escrow Agreement or this Purchase Contract or contesting the powers of the District or its authority with respect to the Refunding Bonds, the Resolution, the Paying Agent Agreement, Escrow 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 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 exemption of the interest paid on the Refunding Bonds from California personal income taxation.

(n) 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 signing the same, as to the statements made therein.

(o) 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.

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

5. 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 execute 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 bind itself hereby.

(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 financial advisory relationship with the District with respect to the Refunding Bonds, and no investment firm controlling, controlled by or under common control with the Underwriter has or has had any such financial advisory relationship.

(d) The Underwriter has reasonably determined that the District's undertaking pursuant to Sections 4(g) and 6(a)(10) hereof to provide continuing disclosure with respect to the Refunding Bonds is sufficient to effect compliance with Rule 15c2-12.

6. Conditions to Closing. (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 official of the District, confirming to the Underwriter that the Preliminary Official Statement as of its date 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, 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; 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 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, 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 official of the District (or an opinion of counsel to the District), confirming to the Underwriter that, as of the date of this Purchase Contract and at the time of Closing, there is no litigation pending, with service of process completed, or, to the best of the knowledge of said person, threatened, concerning the validity of the Refunding Bonds, the levy of taxes to repay the Refunding Bonds or the application of tax proceeds to that purpose, the corporate existence of the District, or the entitlement of the officers of the District who have signed the

Refunding Bonds and the various certificates and agreements of the District relating to the issuance and sale of Refunding Bonds, to their respective offices.

(4) a certificate or certificates, signed by an official of the District, confirming to the Underwriter that as of the Closing Date all of the representations of the District contained in this Purchase Contract are true, and that the Resolution is in full force and effect and has not been amended, modified or rescinded.

(5) the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel with respect to the issuance of the Refunding Bonds (“Bond Counsel”), addressed to the District, approving the validity of the Refunding Bonds, substantially in the form set forth as Appendix C to the Official Statement.

(6) a supplemental opinion of Bond Counsel in a form acceptable to the Underwriter, substantially in the form set forth as Appendix B herein.

(7) an opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, disclosure counsel with respect to the Refunding Bonds (“District Counsel”), addressed to and satisfactory in form and substance to the District, the Underwriter and Bond Counsel.

(8) an opinion of [Underwriter’s Counsel], counsel for the Underwriter (“Underwriter’s Counsel”), dated the date of Closing and addressed to the Underwriter, satisfactory in form and substance to the Underwriter.

(9) the receipt of the District or its agent confirming payment by the Underwriter of the Purchase Price of the Refunding Bonds.

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

(11) a certified copy of the adopted Resolution.

(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) a written certificate of the Escrow Agent, executed by a duly authorized representative of the Escrow Agent, dated the date of the Closing, to the effect that: (i) the Escrow Agent is a national banking association, duly organized and validly existing under the laws of the United States of America, having full power to enter into, accept and perform its duties under the Escrow Agreement, and (ii) the Escrow Agreement has been duly authorized, executed and delivered by the Escrow Agent and constitutes the legal, valid and binding obligation of the Escrow Agent, enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles, if equitable remedies are sought.

(17) 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.

(18) the letter of S&P Global Ratings and Moody's Investors Service, to the effect that such rating agencies have rated the Refunding Bonds "[__]" and "[__]," respectively (or such other equivalent rating as such rating agency may give), and that each such rating has not been revoked or downgraded.

(19) 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: 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.

7. Termination. (a) *By District.* 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 shall terminate.

(b) *By Underwriter.*

(1) *Excused.* The Underwriter may terminate 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, 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 State of California which renders interest on the Refunding Bonds not exempt from State of California personal income taxes, which in the reasonable opinion of the Underwriter materially adversely affects the marketability or market price of the Refunding 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 Refunding Bonds to be registered under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, or the 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, 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, 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;

(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, or there shall have occurred a declared national or international emergency, calamity or crisis, or escalation thereof, that interrupts or causes disorder to the operation of the financial markets in the United States;

(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 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 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 Underwriter's judgment, requires or has required an amendment of or supplement to the Official Statement.

(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.

8. 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 6(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 wire, in an aggregate amount equal to such 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 6(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.”

9. [Reserved].

10. Expenses. (a) The District shall pay or cause to be paid the expenses incident to the performance of its obligations hereunder from the proceeds of the Refunding Bonds (or from any other source of available funds of the District), which expenses include, but are not limited to: (i) the cost of the preparation and reproduction of the 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, and any amendment or supplement thereto in the quantity requested by the Underwriter in accordance herewith; (vi) initial rating fee of S&P Global Ratings and Moody’s Investors Service; (vii) fees and expenses of the Paying Agent for the Refunding Bonds; (viii) fees and expenses of the Escrow Agent for the Refunding Bonds; (ix) fees of the Verification Agent; and (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. The District acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider the fees and expenses being incurred as part of the issuance of the Refunding Bonds.

(b) All other costs and expenses incurred by the Underwriter as a result of or in connection with the purchase of the Refunding Bonds and their public offering and distribution shall be borne by the Underwriter, including, but not limited to (i) clearing house 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.

11. 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 by delivering the same in writing to the District at the address given below, and may be given to the Underwriter by delivering the same in writing to the address of the Underwriter set forth below, or such other address as the District or the Underwriter may designate by notice to the other parties.

To the District: San Dieguito Union High School District
710 Encinitas Boulevard
Encinitas, CA 92024
Attention: Associate Superintendent, Business Services

To the Underwriter: Piper Sandler & Co.
50 California, Suite 3100
San Francisco, CA 94111
Attention: Ralph Holmes

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

13. Parties in Interest. This Purchase Contract when accepted by the District in writing as heretofore specified shall constitute the entire agreement between the District and the Underwriter, and is solely for the benefit of the District and the Underwriter (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 Refunding Bonds hereunder or (b) any termination of this Purchase Contract.

14. 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.

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

15. Counterparts. This Purchase Contract, for the purchase and sale of the San Dieguito Union High School District 2021 General Obligation Refunding Bonds (Federally Taxable), may be executed in several counterparts, which together shall constitute one and the same instrument.

Respectfully submitted,

PIPER SANDLER & CO.

By: _____
Authorized Signatory

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

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

By: _____
Associate Superintendent, Business Services

APPENDIX A

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
(County of San Diego, California)
2021 GENERAL OBLIGATION REFUNDING BONDS
(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 Refunding Bonds maturing on or before August 1, 20__, are not subject to redemption prior to their respective stated maturity dates. The Refunding Bonds maturing on and 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 Refunding Bonds to be redeemed, without premium, together with interest accrued thereon to the date fixed for redemption.

[Mandatory Sinking Fund Redemption. The \$_____ 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 proportionately, in integral multiples of \$5,000, by the amount of such Term Refunding Bond optionally redeemed prior to the mandatory sinking fund redemption date, if any.]

SCHEDULE A

Bond Pricing

**SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
(County of San Diego, California)
2021 GENERAL OBLIGATION REFUNDING BONDS
(FEDERALLY TAXABLE)**

[To come]

APPENDIX B

PROPOSED FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

[To come]

Form of
Paying Agent Agreement



TREASURER-TAX COLLECTOR SAN DIEGO COUNTY

www.sdttc.com

Dan McAllister
Treasurer-Tax Collector



PAYING AGENT AGREEMENT

THIS PAYING AGENT AGREEMENT (the “Agreement”), is entered into as of June 1, 2021, between the San Dieguito Union High School District (the “District”), and the County of San Diego acting through the Office of the Treasurer–Tax Collector, San Diego County, California (the “County”), as Paying Agent and Registrar.

RECITALS

WHEREAS the District has duly authorized and provided for the issuance of its Bonds, entitled the “San Dieguito Union High School District 2021 General Obligation Refunding Bonds (Federally Taxable)” (the “Bonds”) in an aggregate principal amount of \$_____. The Bonds will be issued as fully registered bonds without coupons;

WHEREAS the District will ensure that all things necessary to make the Bonds the valid obligations of the District, in accordance with their terms and the requirements of State of California (“State”) law, will be done upon the issuance, sale and delivery thereof;

WHEREAS the District and the County wish to provide the terms under which the County will act as Paying Agent to pay the principal, redemption premium (if any), and interest on the Bonds, in accordance with the terms thereof, and under which the County will act as Registrar for the Bonds;

WHEREAS the County has agreed to serve in such capacities for and on behalf of the District and has full power and authority to perform and serve as Paying Agent and Registrar for the Bonds;

WHEREAS the District and the County have each authorized the execution and delivery of this Agreement; and all things necessary to make this Agreement a valid agreement have been done.

NOW, THEREFORE, it is mutually agreed as follows:

ARTICLE ONE

DEFINITIONS

Section 1.01. Definitions.

For all purposes of this Agreement except as otherwise expressly provided or unless the context otherwise requires:

“Bond” or “Bonds” means any one or all of the \$_____ in aggregate principal amount of bonds entitled “San Dieguito Union High School District 2021 General Obligation Refunding Bonds (Federally Taxable).”

“Bond Register” means the book or books of registration kept by the County in which are maintained the names and addresses of, and principal amounts registered to, each Registered Owner.

“Bond Resolution” means the Resolution of the District pursuant to which the Bonds were issued.

“County” means the Office of the Treasurer–Tax Collector, County of San Diego, California.

“District” means San Dieguito Union High School District.

“District Request” means a written request signed in the name of the District and delivered to the County.

“DTC” or “Depository” means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York in its capacity as securities depository for the Bonds.

“Fiscal Year” means the fiscal year of the District ending on June 30 of each year.

“Paying Agent” means the County when it is performing the function of paying agent for the Bonds.

“Person” means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision of a government or any entity whatsoever.

“Registered Owner” means a Person in whose name a Bond is registered in the Bond Register.

“Registrar” means the County when it is performing the function of registrar, authentication agent and/or transfer agent for the Bonds.

ARTICLE TWO

APPOINTMENT OF COUNTY AS PAYING AGENT AND REGISTRAR

Section 2.01. Appointment and Acceptance.

The District hereby appoints the County to act as Paying Agent with respect to the Bonds, to pay, or to provide for payment, to the Registered Owners in accordance with the terms and provisions of this Agreement, the Bond Resolution, and the Bonds, the principal of, redemption premium (if any), and interest on all or any of the Bonds.

The District hereby appoints the County as Registrar with respect to the Bonds. As Registrar, the County shall keep and maintain for and on behalf of the District books and records as to the ownership of the Bonds and with respect to the transfer and exchange thereof as provided herein and in the Bond Resolution.

The County hereby accepts its appointment, and agrees to act as Paying Agent and Registrar.

Section 2.02. Compensation.

As compensation for the County's services as Paying Agent and Registrar, the District hereby agrees to pay the County the fees and amounts set forth in Exhibit A.

In addition, the District agrees to reimburse the County, upon its request, for all reasonable and necessary out-of-pocket expenses, disbursements, and advances, including without limitation the reasonable fees, expenses, and disbursements of its agents and attorneys made or incurred by the County in connection with entering into and performing under this Agreement, and in connection with investigating and defending itself against any claim or liability in connection with its performance hereunder.

ARTICLE THREE

PAYING AGENT

Section 3.01. Duties of Paying Agent.

As Paying Agent, the County, provided sufficient collected funds have been provided to it for such purpose by or on behalf of the District, shall pay on behalf of the District the principal of, redemption premium (if any), and interest on each Bond in accordance with the provisions of the Bond Resolution and the Bonds.

As long as DTC is the registered owner of the Bonds and DTC's book-entry method is used for the Bonds, the Paying Agent will send any notice of redemption or other notices to owners only to DTC.

Section 3.02. Payment Dates.

The District hereby instructs the County to pay the principal of, redemption premium (if any), and interest on the Bonds on the dates specified in the Bonds.

ARTICLE FOUR

REGISTRAR

Section 4.01. Initial Delivery of Bonds.

The Bonds will be initially authenticated, registered and delivered through DTC's book-entry system to or upon the order of the purchaser designated by the District as one Bond for each maturity. If the Bonds are not to be issued through DTC's book-entry system and if such purchaser delivers a written request to the County not later than five business days prior to the date of initial delivery, the County will, on the date of initial delivery, deliver Bonds of authorized denominations, registered in accordance with the instructions in such written request.

Section 4.02. Duties of Registrar.

The County shall provide for the proper registration of transfer, exchange and replacement of the Bonds. Every Bond surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature of which has been guaranteed by an eligible guarantor institution, in a form acceptable to the County, duly executed by the Registered Owner thereof or his or her attorney duly authorized in writing. The Registrar may request any supporting documentation it deems necessary or appropriate to effect a re-registration.

Any Bond may be exchanged for Bonds of the same series of like tenor, maturity and principal amount upon presentation and surrender at the principal office of the Paying Agent together with a request for exchange signed by the owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent.

Section 4.03. Unauthenticated Bonds.

If the Bonds are not DTC book-entry bonds, the District shall provide to the County on a continuing basis, an adequate inventory of unauthenticated Bonds to facilitate transfers. The County agrees that it will maintain such unauthenticated Bonds in safekeeping.

Section 4.04. Form of Bond Register.

The County as Registrar will maintain its records as Bond Registrar in accordance with the County's general practices and procedures in effect from time to time. The County as Paying Agent will keep or cause to be kept at its principal office sufficient books for the registration and transfer of the Bonds, which upon reasonable notice shall be open to inspection by the District.

Section 4.05. Reports.

The District may request the information in the Bond Register at any time the County is customarily open for business, provided that reasonable time is allowed for the County to provide an up-to-date listing and to convert the information into written form.

The County will not release or disclose the content of the Bond Register to any person other than to the District at its written request, except upon receipt of a subpoena or court order or as may otherwise be required by law. Upon receipt of a subpoena or court order the County will notify the District.

Section 4.06. Cancelled Bonds.

All Bonds surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the County, shall be promptly cancelled by it and, if surrendered to the District, shall be delivered to the County and, if not already cancelled, shall be promptly cancelled by the County. The District may at any time deliver to the County for cancellation any Bonds previously authenticated and delivered which the District may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly cancelled by the County. All cancelled Bonds shall be held by the County for its

retention period then in effect and shall thereafter be destroyed and evidence of such destruction furnished to the District upon its written request.

ARTICLE FIVE

THE COUNTY

Section 5.01. Duties of County.

The County undertakes to perform the duties set forth herein. No implied duties or obligations shall be read into this Agreement against the County. The County hereby agrees to use the funds deposited with it for payment of the principal of, redemption premium (if any), and interest on the Bonds to pay the same as it shall become due and further agrees to establish and maintain such accounts and funds as may be required for the County to function as Paying Agent.

Section 5.02. Reliance on Documents, Etc.

The County may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the County by the District.

No provision of this Agreement shall require the County 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.

The County 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 County need not examine the ownership of any Bond, but shall be 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 Registered Owner or agent of the Registered Owner.

The County has no responsibility or liability for any aspects of the records relating to or payments made on account of beneficial ownership, or for maintaining, supervising or reviewing any records relating to beneficial ownership or interest on the Bonds.

The County may consult with counsel, and the written advice or 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.

The County may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys and shall not be liable for the actions of such agent or attorney if appointed by it with reasonable care.

Section 5.03. Recitals of District.

The recitals contained in the Bond Resolution and the Bonds shall be taken as the statements of the District, and the County assumes no responsibility for their correctness.

Section 5.04. May Own Bonds.

The County, 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 and Registrar for the Bonds.

Section 5.05. Money Held by County.

Money held by the County hereunder need not be segregated from other funds. Money held hereunder will be deposited in the District's interest and sinking fund and invested in the County investment pool and invested by the County Treasurer pursuant to its duties as Treasurer prior to the principal and interest payment dates of the Bonds and the District is entitled to receive interest earnings on such funds.

Any money deposited with or otherwise held by the County for the payment of the principal, redemption premium (if any), or interest on any Bond and remaining unclaimed for one year after such deposit will be paid by the County to the District, and the District and the County agree that the Registered Owner of such Bond shall thereafter look only to the District for payment thereof, and that all liability of the County with respect to such moneys shall thereupon cease.

Section 5.06. Other Transactions.

The County may engage in or be interested in any financial or other transaction with the District.

Section 5.07. Interpleader.

The District and the County agree that the County 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 District and the County further agree that the County 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 5.08. Indemnification.

The District shall indemnify the County, its officers, directors, employees and agents ("Indemnified Parties") for, and hold them harmless against any loss, cost, claim, liability or expense arising out of or in connection with the County's acceptance or administration of the County's duties hereunder or under the Bond Resolution (except any loss, liability or expense as may be adjudged by a court of competent jurisdiction to be attributable to the County's negligence or willful misconduct), including the cost and expense (including its counsel fees) of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement. Such indemnity shall survive the termination or discharge of this Agreement or discharge of the Bonds.

ARTICLE SIX

MISCELLANEOUS PROVISIONS

Section 6.01. Amendment.

This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

Section 6.02. Assignment.

This Agreement may not be assigned by either party without the prior written consent of the other party.

Section 6.03. Notices.

Any request, demand, authorization, direction, notice, consent, waiver or other document provided or permitted hereby to be given or furnished to the District or the County shall be mailed or delivered to the District or the County, respectively, at the address shown herein, or such other address as may have been given by one party to the other by fifteen (15) days written notice.

Section 6.04. Effect of Headings.

The Article and Section headings herein are for convenience of reference only and shall not affect the construction hereof.

Section 6.05. Successors and Assigns.

All covenants and agreements herein by the District and the County shall bind their successors and assigns, whether so expressed or not.

Section 6.06. Severability.

If any provision of this Agreement shall be determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

Section 6.07. Benefits of Agreement.

Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy or claim hereunder.

Section 6.08. Entire Agreement.

This Agreement and the terms of the Bonds set forth in the Bonds and the Bond Resolution constitute the entire agreement between the parties hereto relative to the County acting as Paying Agent and Registrar.

Section 6.09. Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 6.10. Term and Termination.

This Agreement shall be effective from and until the final payment of principal of and interest on the Bonds or until the County resigns; whichever occurs first. The County may resign at any time and be discharged of its duties and obligations by giving written notice thereof to the District. If the County resigns, prior to the effective date of the resignation, the County shall appoint a successor Paying Agent and Registrar. A successor Paying Agent shall be appointed by the County Treasurer. In the event of resignation of the County as Paying Agent and Registrar, upon receipt of moneys representing the principal and interest on the Bonds, the successor Paying Agent shall be responsible for the actual payment to the bondholders and cancellation of any bonds or coupons. The provisions of Section 5.08 hereof shall survive and remain in full force and effect following the termination of this Agreement.

Section 6.11. Governing Law.

This Agreement shall be construed in accordance with and shall be governed by the laws of the State of California.

Section 6.12. Documents to be Filed with County.

At the time of the County's appointment as Paying Agent and Registrar, the District shall file with the County the following documents: (a) certified copies of the Bond Resolution and specimen Bonds; (b) a copy of the opinion of bond counsel provided to the District in connection with the issuance of the Bonds; (c) a District Request containing written instructions to the County with respect to the issuance and delivery of the Bonds, including the name of the Registered Owners and the denominations of the Bonds; (d) a Closing Memorandum Addendum, to be reviewed by bond counsel, providing instructions to the County for the deposit of all bond proceeds; and (e) within 90 days of the date hereof, a transcript of proceedings prepared for the Bonds.

IN WITNESS WHEREOF, the District has caused this Paying Agent Agreement to be signed in its name by its representative thereunto duly authorized, and the County has caused this Paying Agent Agreement to be signed in its name by its officer thereunto duly authorized, all as of the day and year first above written.

**SAN DIEGUITO UNION HIGH SCHOOL
DISTRICT**

By _____
Authorized District Representative

**COUNTY OF SAN DIEGO, OFFICE OF
THE TREASURER-TAX COLLECTOR
OF THE COUNTY OF SAN DIEGO,
CALIFORNIA, as Paying Agent**

By _____
Treasurer-Tax Collector or Designee

APPROVED AS TO FORM:

By _____
Chief Deputy County Counsel

EXHIBIT A PAYING AGENT FEE SCHEDULE

Service Type	Fee	Frequency
Fee for each bond series	\$1,500	At closing and annually
Fee for each additional subseries	\$500	At closing and annually

Note: The District is responsible for any extraordinary costs associated with paying agent activities as provided in Section 2.02. The District will be notified of any extraordinary costs.

Form of
Escrow Agreement

ESCROW AGREEMENT

by and between the

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
COUNTY OF SAN DIEGO, CALIFORNIA

and

U.S. BANK NATIONAL ASSOCIATION,
as Escrow Agent

Dated as of June 1, 2021

RELATING TO:

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
2015 GENERAL OBLIGATION BONDS
(ELECTION OF 2012), SERIES B-2 (TAX-EXEMPT)

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SCHEDULE I ESCROW SECURITIES

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SCHEDULE III SCHEDULE OF ESCROW REQUIREMENTS

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ESCROW AGREEMENT

This ESCROW AGREEMENT (the “Escrow Agreement”), dated as of June 1, 2021, is by and between the SAN DIEGUITO UNION HIGH 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 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 Trustees of the District on April 22, 2021 (the “Refunding Bonds District Resolution”).

WITNESSETH:

WHEREAS, pursuant to the Refunding Bonds District Resolution and the Paying Agent Agreement dated as of June 1, 2021 (the “Paying Agent Agreement”), between the District and the County of San Diego, California (the “County”) through the office of the Treasurer-Tax Collector (the “Treasurer-Tax Collector”) of the County, as paying agent (the “Paying Agent”), the District has duly issued \$ _____ principal amount of the San Dieguito Union High School District 2021 General Obligation Refunding Bonds (Federally Taxable) (the “Refunding Bonds”), for the purpose, among others, of providing funds for the defeasance and redemption of a portion of the outstanding bonds of the District issued as the San Dieguito Union High School District 2015 General Obligation Bonds (Election of 2012), Series B-2 (Tax-Exempt) (the “2015 Bonds”);

WHEREAS, the refunded portion of the 2015 Bonds, as identified in Schedule II attached hereto will be defeased and redeemed pursuant to the terms thereof and pursuant to the Resolution, adopted on March 19, 2015 and Paying Agent Agreement, dated as of April 1, 2015, by and between the District and the County, as paying agent (collectively, the “Prior Documents”), under which such Prior Bonds were issued;

WHEREAS, U.S. Bank National Association, is acting hereunder as escrow agent with respect to the Prior Bonds to be defeased, and in such capacity is herein referred to as the “Escrow Agent”;

WHEREAS, the Refunding Bonds District Resolution provides for the deposit in the Escrow Fund (established pursuant to Section 1 hereof) of certain of the proceeds of the Refunding Bonds; and

WHEREAS, the District has deposited in such Escrow Fund cash, sufficient, as certified by 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 defined herein shall have the meanings ascribed thereto in the Refunding Bonds District Resolution):

Section 1. Establishment, Funding and Maintenance of Escrow Fund. 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,” and to hold the securities, investments

and moneys therein at all times as a special fund and separate trust account. 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. On the date of delivery, [CLOSING DATE], 2021 (the "Closing Date"), of the Refunding Bonds, the District has caused to be delivered \$ _____ from the proceeds of the Refunding Bonds of the District to the Escrow Agent and the Escrow Agent shall deposit the sum of \$ _____ in the Escrow Fund.

Section 2. Investment of Money in the Escrow Fund.

(a) The Escrow Agent shall hold \$ _____ in cash and invest \$ _____ in the Escrow Securities described in Schedule I. Except as set forth below, the Escrow Agent shall not reinvest any cash portion of the Escrow Fund; provided, however, that such reinvestment will not result in the breach of any covenant of the District contained in the Prior 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.

(b) If the Escrow Agent learns that the Department of the Treasury or the Bureau of Fiscal Service will not, for any reason, accept a subscription of state and local government series securities ("SLGS") that is to be submitted pursuant to this Escrow Agreement, the Escrow Agent shall promptly request alternative written investment instructions from the District with respect to funds which were to be invested in SLGS. The Escrow Agent shall follow such instructions and, upon the maturity of any such alternative investment, the Escrow Agent shall hold such funds uninvested and without liability for interest until receipt of further written instructions from the District. In the absence of investment instructions from the District, the Escrow Agent shall not be responsible for the investment of such funds or interest thereon. The Escrow Agent may conclusively rely upon the District's selection of an alternative investment as a determination of the alternative investment's legality and suitability and shall not be liable for any losses related to the alternative investments or for compliance with any yield restriction applicable thereto.

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 the account of the Escrow Fund. The Escrow Agent shall wire such amounts to the Paying Agent pursuant to Schedule III and in accordance with the wiring instructions set forth in Schedule IV, and the Paying Agent shall promptly, as such principal and interest become due, and apply such principal and interest, together with other moneys and the principal of and interest on the Prior Bonds, together with redemption premium thereon, on August 1, 2025. 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 San Diego), for payment of the Refunding Bonds or any other bonds of the District payable from said fund.

The maturity schedule of the Prior Bonds to be redeemed is set forth in Schedule II.

Section 4. Notice of Redemption. The District hereby irrevocably requests the Paying Agent for the Prior Bonds to give the Redemption Notice for the Prior Bonds no later than 20 days prior to the Redemption Date and to provide a copy of such notice to the District at the time such notice is given, providing for the redemption of the Prior Bonds on August 1, 2025, and requests that the Paying Agent confirm that it has given the notice of the redemption of such Prior Bonds scheduled to occur as described in Section 3, in the time, form and manner specified by the Prior Documents, and the District will cause its dissemination agent to file such notice as required by the Continuing Disclosure Certificate, dated as of April 29, 2015 relating to the Prior Bonds.

Section 5. Possible Deficiencies. If at any time the Escrow Agent shall have actual notice that the moneys in any of the Escrow Fund, including the anticipated proceeds of the Escrow Securities, will not be sufficient to make all payments required by Section 3 hereof from such Escrow Fund, the Escrow Agent shall notify the District, the Paying Agent and the Treasurer-Tax Collector 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 each fund as to the sufficiency of the principal of and interest on the securities to pay interest on and principal and redemption price of the Prior Bonds in accordance with Section 3.

Section 6. Unclaimed Moneys. Any moneys held by the Escrow Agent for the payment and discharge of the Prior Bonds which remain unclaimed by August 1, 2025 shall be transferred to the Treasurer-Tax Collector for deposit to the Interest and Sinking Fund of the District 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 government rules and regulations, the Escrow Agent shall sell, redeem or otherwise dispose of the securities in the Escrow Fund, 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 redemption dates set forth in Section 3, all principal, premium, if any, and interest on the Prior Bonds; and

(b) an unqualified legal opinion of nationally recognized bond counsel to the effect that such disposition of the securities in the Escrow Fund and purchase of substitute Escrow Securities will not cause the Refunding Bonds or the corresponding Prior Bonds to be “arbitrage bonds” as defined in Section 148(f) of the Internal Revenue Code of 1986 and the regulations of the United States Department of the Treasury issued thereunder.

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 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 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 and its officers and agents relating to any matter or action as Escrow Agent under this Escrow Agreement.

(b) The District, to the extent permitted by law, covenants to indemnify and hold harmless the Escrow Agent 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, cost, suit, judgment or expense resulting from its negligence or willful misconduct.

(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 deposited with it to pay the principal of or interest on the Refunding Bonds or the principal of or interest or redemption premiums, if any, on the Prior Bonds.

(f) The Escrow Agent shall not be liable for any action or omission of the District or the Paying Agent under this Escrow Agreement, the Prior Documents, the Refunding Bonds District Resolution 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 in good faith under the provisions of this Escrow Agreement.

(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 90 days of having receipt of such notice from 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.

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.

(k) The Escrow Agent will furnish the District and the Paying Agent periodic cash transaction statements which include detail for all investment transactions effected by the Escrow Agent or brokers selected by the District or any investment advisor. Upon the District's and the Paying Agent's election, such statements will be delivered via the Escrow Agent's Online Trust and Custody service and upon electing such service, paper statements will be provided only upon request. The District waives the right to receive brokerage confirmations of security transactions effected by the Escrow Agent as they occur, to the extent permitted by law, the District further understands that trade confirmations for securities transactions effected by the Escrow Agent will be available upon request and at no additional cost and other trade confirmations may be obtained from the applicable broker.

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, (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 or the written consent of all the registered owners of the Prior Bonds and the Refunding 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 or overnight mail, as follows. Any written instruction given hereunder may be given by fax or other electronic means.

If to the District:

San Dieguito Union High School District
710 Encinitas Blvd.
Encinitas, CA 92024
Attention: Associate Superintendent, Business Services
Telephone: (760) 753-6491
Email: tina.douglas@sduhsd.net

If to the Escrow Agent:

U.S. Bank National Association
633 W. 5th Street
Los Angeles, CA 90071
Attention: Global Corporate Trust
Fax: 213-615-6197

If to the Paying Agent:

County of San Diego
Office of the Treasurer-Tax Collector
1600 Pacific Highway
San Diego, CA 92101
Attention: Kristine Gachalian
Telephone: (619) 531-5692
Email: Kristine.Gachalian@sdcounty.ca.gov

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. Termination. This Escrow Agreement shall terminate when moneys have been withdrawn from the Escrow Fund in a sufficient amount to pay the Prior Bonds in accordance with Section 3 of this Escrow Agreement. Upon such termination, all moneys remaining in the Escrow Fund, after payment of amounts due to the Escrow Agent, shall be transferred to the Treasurer-Tax Collector for deposit in the Interest and Sinking Fund of the District.

Upon payment of the Prior Bonds, and upon payment of all fees, expenses and charges of the Escrow Agent as described above, this Escrow Agreement shall terminate and the Escrow Agent shall be discharged from any further obligation or responsibility hereunder.

Section 16. 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 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.

SAN DIEGUITO UNION HIGH SCHOOL
DISTRICT

By: _____
Authorized District Representative

U.S. BANK NATIONAL ASSOCIATION, as
Escrow Agent

By: _____
Authorized Officer

Acknowledged:

COUNTY OF SAN DIEGO, through the
Office of the Treasurer-Tax Collector, as
Paying Agent

By: _____
Authorized Officer

SCHEDULE I
ESCROW SECURITIES

1. Cash in the amount of \$_____
2. Securities as shown in the schedules below:

[To come]

SCHEDULE II**SCHEDULE OF BONDS TO BE REFUNDED****2015 GENERAL OBLIGATION BONDS
(ELECTION OF 2012), SERIES B-2 (TAX-EXEMPT)**

Redemption Date: August 1, 2025

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP No. (797508)</u>
8/1/2027	\$ 2,725,000	4.00%	FT0
8/1/2028	3,330,000	4.00	FU7
8/1/2029	3,900,000	4.00	FV5
8/1/2030	4,270,000	4.00	FW3
8/1/2031	4,655,000	4.00	FX1
8/1/2032	5,045,000	4.00	FY9
8/1/2033	5,465,000	4.00	FZ6
8/1/2034	5,900,000	4.00	GA0
8/1/2035	6,355,000	3.50	GB8
8/1/2036	6,795,000	4.50	GC6
<u>2/12040*</u>	<u>55,990,000</u>	<u>4.00</u>	<u>GD4</u>

* Term Bond

SCHEDULE III

SCHEDULE OF ESCROW REQUIREMENTS

Payments to be made to Paying Agent on the below listed Period Ending dates, if the date is a non-business day, payment shall be made or act performed or right exercised on the next succeeding Business Day:

[ESCROW REQUIREMENTS SCHEDULE TO COME]

To be made pursuant to wiring instructions set forth in Schedule IV.

SCHEDULE IV
PAYING AGENT WIRING INSTRUCTIONS



TREASURER-TAX COLLECTOR
COUNTY ADMINISTRATION CENTER • 1600 PACIFIC HIGHWAY, ROOM 112
SAN DIEGO, CALIFORNIA 92101-2475 • (619) 531-5225 FAX (619) 595-4605

website: <http://www.sdtreastax.com>

Wire Instructions:
County of San Diego – Treasurer/Tax Collector

BANK NAME:	JP Morgan Chase Bank
BANK LOCATION:	JP Morgan, New York, NY 10004
ABA. NO.:	021000021
ACCT. NO.	_____
BENEFICIARY:	County of San Diego-Treasury Account
TYPE OF ACCOUNT:	Checking
BANK CONTACT:	[Marilyn K. Hardney, (602) 221-1036]

Form of
OFFICIAL STATEMENT

(Preliminary)

Includes as Appendix D the form of
Continuing Disclosure Certificate

PRELIMINARY OFFICIAL STATEMENT DATED MAY __, 2021

ITEM 10e

NEW ISSUE -- FULL BOOK-ENTRYRATINGS: Moody's: "___"; S&P: "___"
See "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 alternative minimum tax. Bond Counsel is also of the opinion that interest on the Tax-Exempt Bonds and the Taxable 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 Tax-Exempt Bonds and the Taxable Bonds. See "TAX MATTERS."



\$ _____*
SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
 (COUNTY OF SAN DIEGO, CALIFORNIA)
2021 GENERAL OBLIGATION BONDS
 (ELECTION OF 2012)
SERIES E-1 (FEDERALLY TAXABLE)

\$ _____*
SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
 (COUNTY OF SAN DIEGO, CALIFORNIA)
2021 GENERAL OBLIGATION
REFUNDING BONDS
 (FEDERALLY TAXABLE)

\$ _____*
SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
 (COUNTY OF SAN DIEGO, CALIFORNIA)
2021 GENERAL OBLIGATION BONDS
 (ELECTION OF 2012)
SERIES E-2 (TAX EXEMPT)

Dated: Date of Delivery**Due: August 1, as shown on inside front cover**

This cover page contains information for quick reference only. It is not a summary of this issue. Investors must read the entire official statement to obtain information essential to the making of an informed investment decision. Capitalized terms used in this cover page and not otherwise defined shall have the meanings set forth herein.

The above-captioned San Dieguito Union High School District (County of San Diego, California) 2021 General Obligation Refunding Bonds (Federally Taxable) (the "Refunding Bonds"), San Dieguito Union High School District (County of San Diego, California) 2021 General Obligation Bonds (Election of 2012) Series E-1 (Federally Taxable) (the "Series E-1 Bonds") and San Dieguito Union High School District (County of San Diego, California) 2021 General Obligation Bonds (Election of 2012) Series E-2 (Tax-Exempt) (the "Series E-2 Bonds" or the "Tax-Exempt Bonds" and collectively with the Refunding Bonds and the Series E-1 Bonds, the "Bonds") are being issued by the San Dieguito Union High School District (the "District"). The Bonds represent general obligations of the District, payable solely from *ad valorem* property taxes. The Board of Supervisors of the County is empowered and obligated to annually levy *ad valorem* taxes for the payment of the principal of and interest on the Bonds upon all property subject to taxation by the District without limitation of rate or amount (except as to certain personal property which is taxable at limited rates).

The Refunding Bonds are being issued by the District for the purpose of providing funds (i) to refund and defease [all or a portion] of the District's outstanding 2015 General Obligation Bonds (Election of 2012), Series B-2 (Tax-Exempt) (such refunded portion, the "Prior Bonds") and (ii) to pay costs of issuance of the Refunding Bonds. The Series E-1 Bonds and Series E-2 Bonds are being issued by the District for the purpose of providing funds (i) to finance specific construction, acquisition and modernization projects approved by the voters, and (ii) to pay costs of issuance of the Series E-1 Bonds. The Refunding Bonds are issued pursuant to provisions of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, a resolution adopted by the Board of Trustees of the District on April 22, 2021, and a Paying Agent Agreement pertaining to the Refunding Bonds, dated as of June 1, 2021, by and between the District and the Treasurer-Tax Collector of the County, as paying agent thereunder (the "Paying Agent"). The Series E-1 Bonds and the Series E-2 Bonds (collectively, the "Series E Bonds") are issued pursuant to provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53506 et seq., Chapter 1 of Part 10 of Division 1 of Title 1 of the California Education Code, commencing with Section 15100 et seq., the Proposition AA Authorization (as defined herein), a resolution adopted by the Board of Trustees of the District on April 22, 2021, and a Paying Agent Agreement pertaining to the Series E-1 Bonds and the Series E-2 Bonds, dated as of June 1, 2021, by and between the District and the Paying Agent.

The Bonds will be initially issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (collectively referred to herein as "DTC"). Purchasers of the Bonds (the "Beneficial Owners") will not receive physical certificates representing their interests in the Bonds.

The Bonds will be issued as current interest bonds. Interest with respect to the Bonds accrues from the date of delivery of the Bonds and is payable semiannually on February 1 and August 1 of each year, commencing August 1, 2021 with respect to the Refunding Bonds, and February 1, 2022, with respect to the Series E Bonds. The Bonds are issuable as fully registered Bonds in denominations of \$5,000 principal amount or any integral multiple thereof.

Payments of principal of and interest on the Bonds will be made by the Paying Agent to DTC for subsequent disbursement to DTC Participants (defined herein) who will remit such payments to the Beneficial Owners of the Bonds. See "THE BONDS – General Provisions" and "APPENDIX F – BOOK-ENTRY ONLY SYSTEM."

The Bonds are subject to optional and mandatory sinking fund redemption prior to maturity, as described herein.*

MATURITY SCHEDULES*
 (see inside front cover)

The Bonds are offered when, as and if issued, and received by the Underwriter subject to the approval as to their 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 Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, Disclosure Counsel to the District. Certain legal matters will be passed upon for the Underwriter by [Underwriter's Counsel]. Fieldman Rolapp & Associates, Inc. is serving as Municipal Advisor to the District in connection with the issuance of the Bonds. The Bonds, in book-entry form, will be available for delivery through the facilities of The Depository Trust Company on or about June __, 2021.

Piper Sandler & Co.

The date of this Official Statement is May __, 2021.

* Preliminary, subject to change.

MATURITY SCHEDULES*

\$ _____*
SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
(COUNTY OF SAN DIEGO, CALIFORNIA)
2021 GENERAL OBLIGATION REFUNDING BONDS
(FEDERALLY TAXABLE)

Base CUSIP†: _____

\$ _____ **Serial Bonds**

<u>Maturity (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP†</u>
2021				
2022				
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				
2037				
2038				
2039				
2040				

\$ _____ % **Term Bonds due August 1, 20__** - Yield _____%‡ - CUSIP†: _____

* Preliminary, subject to change.

† CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Capital IQ on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for CUSIP Services. Neither the Underwriter nor the District is responsible for the selection or correctness of the CUSIP numbers set forth herein.

‡ Yield to call at par on August 1, 20__.

\$ _____ *

**SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
(COUNTY OF SAN DIEGO, CALIFORNIA)
2021 GENERAL OBLIGATION BONDS
(ELECTION OF 2012) SERIES E-1
(FEDERALLY TAXABLE)**

Base CUSIP†: _____

\$ _____ Serial Bonds

<u>Maturity</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP</u> †
2022				
2023				

\$ _____ % Term Bonds due August 1, 20__ - Yield ____ %‡ - CUSIP†: ____

* Preliminary, subject to change.

† CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Capital IQ on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for CUSIP Services. Neither the Underwriter nor the District is responsible for the selection or correctness of the CUSIP numbers set forth herein.

‡ Yield to call at par on August 1, 20__.

\$ _____ *

**SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
(COUNTY OF SAN DIEGO, CALIFORNIA)
2021 GENERAL OBLIGATION BONDS
(ELECTION OF 2012) SERIES E-2
(TAX EXEMPT)**

Base CUSIP†: _____

\$ _____ Serial Bonds

<u>Maturity (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP†</u>
2022				
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				
2037				
2038				
2039				
2040				
2041				
2042				
2043				

\$ _____ % Term Bonds due August 1, 20__ - Yield ____%‡ - CUSIP†: ____

* Preliminary, subject to change.

† CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Capital IQ on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for CUSIP Services. Neither the Underwriter nor the District is responsible for the selection or correctness of the CUSIP numbers set forth herein.

‡ Yield to call at par on August 1, 20__.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

BOARD OF TRUSTEES

Maureen “Mo” Muir
President

Melisse Mossy
Vice President

Katrina Young
Clerk

Michael Allman
Trustee

DISTRICT ADMINISTRATION

Robert A. Haley, Ed.D.
Superintendent

Tina M. Douglas
*Associate Superintendent,
Business Services*

John Addleman
*Executive Director,
Planning Services*

PAYING AGENT

Dan McAllister
Treasurer-Tax Collector

MUNICIPAL ADVISOR

Fieldman, Rolapp & Associates, Inc.
Irvine, California

BOND COUNSEL

Orrick, Herrington & Sutcliffe LLP
San Francisco, California

DISCLOSURE COUNSEL

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

ESCROW AGENT

U.S. Bank National Association
Los Angeles, California

VERIFICATION AGENT

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

DISTRICT COUNSEL

Laura D. Romano, Attorney at Law
Julian, California

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This Official Statement does not constitute an offering of any security other than the original offering of the Bonds of 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 issuance and sale of the Bonds have not been registered under the Securities Act of 1933 or the Securities Exchange Act of 1934, both as amended, in reliance upon exemptions provided thereunder by Sections 3(a)2 and 3(a)12, respectively, for the issuance and sale of such municipal securities. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy 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.

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

When used in this Official Statement and in any continuing disclosure by the District in any press release and in any oral statement made with the approval of an authorized officer of the District or any other entity described or referenced in this Official Statement, the words or phrases “will likely result,” “are expected to,” “will continue,” “is anticipated,” “estimate,” “project,” “forecast,” “expect,” “intend” and similar expressions identify “forward looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material.

Piper Sandler & Co. (the “Underwriter”) has provided the following sentence for inclusion in this Official Statement:

“The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or the completeness of such information.”

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

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

\$ _____*

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
(COUNTY OF SAN DIEGO, CALIFORNIA)
2021 GENERAL OBLIGATION
REFUNDING BONDS
(FEDERALLY TAXABLE)

\$ _____*

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
(COUNTY OF SAN DIEGO, CALIFORNIA)
2021 GENERAL OBLIGATION BONDS
(ELECTION OF 2012)
SERIES E-1 (FEDERALLY TAXABLE)

\$ _____*

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
(COUNTY OF SAN DIEGO, CALIFORNIA)
2021 GENERAL OBLIGATION BONDS
(ELECTION OF 2012)
SERIES E-2 (TAX EXEMPT)

INTRODUCTION

This Official Statement, which includes the cover page, inside cover page, and appendices hereto, provides information in connection with the sale of the above-captioned San Dieguito Union High School District (County of San Diego, California) 2021 General Obligation Refunding Bonds (Federally Taxable), in the principal amount of \$ _____* (the “Refunding Bonds”), San Dieguito Union High School District (County of San Diego, California) 2021 General Obligation Bonds (Election of 2012) Series E-1 (Federally Taxable), in the principal amount of \$ _____ (the “Series E-1 Bonds”) and San Dieguito Union High School District (County of San Diego, California) 2021 General Obligation Bonds (Election of 2012) Series E-2 (Tax-Exempt), in the principal amount of \$ _____ (the “Series E-2 Bonds” or the “Tax-Exempt Bonds,” and, collectively with the “Refunding Bonds and the Series E-1 Bonds, the “Bonds”). The Refunding Bonds and the Series E-1 Bonds are referred to herein collectively as the “Taxable Bonds;” while the Series E-1 Bonds and the Series E-2 Bonds are referred to herein collectively as the “Series E Bonds”).

This Introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement, including the cover page, inside 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 Bonds to potential investors is made only by means of the entire Official Statement.

The District

The San Dieguito Union High School District (the “District”) consists of approximately 85 square miles of territory in the northern portion of the County of San Diego (the “County”), California (the “State”). The District educates students from five feeder elementary school districts: Encinitas, Cardiff, Solana Beach, Del Mar and Rancho Santa Fe. The District operates five comprehensive middle schools for grades seven through eight, and four comprehensive high schools for grades nine through twelve. The District also offers a continuation high school with an alternative education program for grades nine through twelve. Enrollment in the District for grades seven through twelve was 13,177 students in the 2019-20 school year, and is ____ students in the 2020-21 school year. For more detailed information regarding the area served by the District, the student population of the District, and the financial position of the District, see “APPENDIX A – DISTRICT FINANCIAL AND OPERATING INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION” and “APPENDIX B – AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2020.”

* Preliminary, subject to change.

The District is governed by a five-member Board of Trustees (the “Board”), each member of which is elected to a four-year term. Elections for positions to the Board are held every two years, alternating between two and three available positions. The day-to-day affairs of the District are the responsibility of a board-appointed Superintendent of Schools. The current Superintendent of Schools, Robert A. Haley, Ed.D., has served in that capacity since November 1, 2018. See “APPENDIX A – DISTRICT FINANCIAL AND OPERATING INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – District General Information – Administration.”

On March 13, 2020, in consultation with San Diego Health and Human Services Agency, the District ordered all schools to close in order to curb the potential spread of the novel coronavirus known as COVID-19. In accordance with such orders, the District closed school buildings and implemented distance learning operations through the end of the 2019-20 school year. The District opened the 2020-21 school year in an all distance learning environment. Effective March 16, 2021, the District began offering all students the opportunity to attend school for in-person instruction one day per week. On March 22, 2021, the District began offering all students the opportunity to attend school for in-person instruction two days per week. For additional information and details regarding resumption of in-person instruction, see “APPENDIX A – DISTRICT FINANCIAL AND OPERATING INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – DISTRICT FINANCIAL INFORMATION – Considerations Regarding COVID-19.” See also “TAX BASE FOR REPAYMENT OF THE BONDS – Assessed Valuations” regarding risks related to outbreaks of disease and other factors that may affect the assessed value of property within the District.

Authority for Issuance

Refunding Bonds. The Refunding Bonds are issued pursuant to provisions of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, a resolution adopted by the Board on April 22, 2021 (the “Refunding Bonds Resolution”), and a Paying Agent Agreement, dated as of June 1, 2021 (the “Refunding Bonds Paying Agent Agreement”), by and between the District and the Treasurer-Tax Collector of the County (the “Treasurer-Tax Collector”), as the initial paying agent thereunder for such Bonds. The Refunding Bonds Paying Agent Agreement is expected to be authorized by a resolution adopted on May 18, 2021, by the Board of Supervisors of the County.

Series E Bonds. The Series E Bonds are issued pursuant to provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53506 et seq., Chapter 1 of Part 10 of Division 1 of Title 1 of the California Education Code, commencing with Section 15100 et seq., the Proposition AA Authorization (defined below), a resolution adopted by the Board on April 22, 2021 (the “Series E Bonds Resolution” and, together with the Refunding Bonds Resolution, the “Resolutions”), and a Paying Agent Agreement, dated as of June 1, 2021 (the “Series E Paying Agent Agreement” and, together with the Refunding Bonds Paying Agent Agreement, the “Paying Agent Agreements”), by and between the District and the Treasurer-Tax Collector of the County as the initial paying agent thereunder for such Bonds. The Series E Paying Agent Agreement is expected to be authorized by a resolution adopted on May 18, 2021, by the Board of Supervisors of the County.

Proposition AA Authorization. Voters within the District approved \$449 million of general obligation bonds at an election held on November 6, 2012 (the “Proposition AA Authorization”). The stated purpose of the Proposition AA Authorization was to “provide safe, modern schools and prepare students for success in college and careers by repairing and upgrading outdated classrooms and schools, construction and upgrading school facilities, including classrooms, science labs, and libraries, improving safety and security, and supporting career training and math, science, and technology instruction with 21st Century instructional technology and facilities.” The District has heretofore issued approximately \$364 million of bonds under the Proposition AA Authorization. Prior to the issuance of the Series E Bonds

described herein, the District has authority remaining to issue approximately \$85 million of additional general obligation bonds pursuant to the Proposition AA Authorization. See “THE BONDS – Security and Sources of Payment.”

Pursuant to Section 15268 of the California Education Code, the District’s bonding capacity for general obligation bonds may not exceed 1.25% of taxable property value in the District as shown by the last equalized assessment of the County. The taxable property valuation in the District for Fiscal Year 2020-21 is approximately \$72.05 billion, which results in a total current bonding capacity of approximately \$900.7 million. See “TAX BASE FOR REPAYMENT OF THE BONDS – Assessed Valuations – Bonding Capacity.”

Independent Citizens’ Oversight Committee. Pursuant to Section 1(b)(3) of Article XIII A of the State Constitution, Chapters 1 and 1.5 of Part 10 of Division 1 of Title 1 of the California Education Code, as amended, and other applicable law (collectively, the “Act”), the District’s Board has appointed an independent citizens’ oversight committee (the “Oversight Committee”). The Oversight Committee, which must have no fewer than seven members, currently comprises nine members. The membership of the Oversight Committee includes: one member who is active in a business organization representing the business community located within the District, one member who is active in a senior citizens organization, one member who is in a bona fide taxpayers’ organization, one member who is a parent of a District student and is active in a parent-teacher organization, and one member who is a parent/guardian of a District student. Members of the Oversight Committee serve two year terms, with the term of each member currently expiring in April 2023, with no compensation. Members of the Oversight Committee meet quarterly to provide oversight of the District’s use of bond proceeds from the Proposition AA Authorization and report to the Board and public on their findings, including the use of funds in support of the projects included in the Proposition AA Authorization and not for unspecified projects, general operating expenses, or teacher salaries. The District’s outside auditor, Wilkinson Hadley King & Co. LLP, currently prepares the required bond audit regarding the expenditures of general obligation bond proceeds.

Security and Sources of Payment for the Bonds

The Bonds are general obligation bonds of the District payable solely from *ad valorem* property taxes levied and collected by the County on taxable property located within the boundaries of the District. The Board of Supervisors (the “Board of Supervisors”) of the County has the power and is obligated to annually levy *ad valorem* taxes for the payment of the Bonds and the interest thereon upon all property within the District subject to taxation by the District without limitation of rate or amount (except certain personal property which is taxable at limited rates). See “THE BONDS – Security and Sources of Payment.”

Statutory Lien

Pursuant to California Government Code Section 53515, the Bonds will be secured by a statutory lien on all revenues received pursuant to the levy and collection of *ad valorem* property taxes for the payment thereof. The lien automatically attaches, without further action or authorization by the Board, and is valid and binding from the time the Bonds are executed and delivered. The revenues received pursuant to the levy and collection of the *ad valorem* property tax will be immediately subject to the lien, and such lien will be enforceable against the District, its successor, transferees and creditors, and all other parties asserting rights therein, irrespective of whether such parties have notice of the lien and without the need for physical delivery, recordation, filing or further act.

This statutory lien, by its terms, secures not only the Bonds, but also any other bonds of the District issued after January 1, 2016 and payable, both as to principal and interest, from the proceeds of *ad valorem* taxes that may be levied pursuant to paragraphs (2) and (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution. The statutory lien provision does not specify the relative priority of obligations so secured or a method of allocation in the event that the revenues received pursuant to the levy and collection of such *ad valorem* taxes are insufficient to pay all amounts then due and owing that are secured by the statutory lien.

Purpose of Issue

Refunding Bonds. The proceeds from the sale of the Refunding Bonds will be used by the District (i) to defease and refund [all or a portion] of the District's outstanding San Dieguito Union High School District 2015 General Obligation Bonds (Election of 2012), Series B-2 (Tax-Exempt) (such refunded portion, the "Prior Bonds"), and (ii) to pay costs of issuance of the Refunding Bonds. See "PLAN OF FINANCE – Refunding Bonds" and "ESTIMATED SOURCES AND USES OF FUNDS."

Series E Bonds. The Series E Bonds are being issued by the District for the purpose of providing funds (i) to finance specific construction, acquisition and modernization projects approved by the voters, and (ii) to pay costs of issuance of the Series E Bonds. See "PLAN OF FINANCE – Series E Bonds" and "ESTIMATED SOURCES AND USES OF FUNDS."

Description of the Bonds

Form and Registration. The Bonds will be issued in fully registered form only (without coupons), initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), and will be available to actual purchasers of the Bonds (the "Beneficial Owners") in the denominations set forth on the inside cover page hereof, under the book-entry only system maintained by DTC, only through brokers and dealers who are or act through Direct Participants (as defined in Appendix F). See "APPENDIX F – BOOK-ENTRY ONLY SYSTEM" attached hereto. Beneficial Owners will not be entitled to receive physical delivery of the Bonds. See "THE BONDS – General Provisions." In the event that the book-entry only system described below is no longer used with respect to the Bonds, the Bonds will be registered in accordance with the Resolutions and the Paying Agent Agreements described herein. See "THE BONDS."

Paying Agent. The Treasurer-Tax Collector will act as the initial registrar, transfer agent, authentication agent and paying agent for the Bonds (the "Paying Agent"). As long as DTC is the registered owner of the Bonds and DTC's book-entry method is used for the Bonds, the Paying Agent will send any notice of prepayment or other notices to owners only to DTC. The Paying Agent, the District, the County and the Underwriter of the Bonds have no responsibility or liability for any aspects of the records relating to or payments made on account of beneficial ownership, or for maintaining, supervising or reviewing any records relating to beneficial ownership, or interest in the Bonds.

Denominations. Individual purchases of interests in the Bonds will be available to purchasers of the Bonds in the denominations of \$5,000 principal amount or any integral multiple thereof.

Redemption.* The Refunding Bonds and the Series E-2 Bonds are subject to optional redemption and mandatory sinking fund redemption prior to maturity as described herein. The Series E-1 Bonds are not subject to redemption prior to maturity. See "THE BONDS – Redemption."

* Preliminary, subject to change.

Payments. Interest on the Bonds accrues from their initial Date of Delivery, and is payable semiannually on each February 1 and August 1 (each an “Interest Payment Date”), commencing August 1, 2021, with respect to the Refunding Bonds, and February 1, 2022, with respect to the Series E Bonds. Principal on the Bonds is payable on the dates and in the amounts as set forth on the inside cover page hereof.

Payments of the principal of and interest on the Bonds will be made by the Paying Agent, to DTC for subsequent disbursement through Direct Participants and Indirect Participants (as defined in Appendix F and, together with Direct Participants, “DTC Participants”) to the Beneficial Owners of the Bonds. See “THE BONDS – General Provisions” and “APPENDIX F – BOOK-ENTRY ONLY SYSTEM” attached hereto.

Tax Matters

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 alternative minimum tax. Bond Counsel is also of the opinion that interest on the Tax-Exempt Bonds and the Taxable 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 Tax-Exempt Bonds and the Taxable Bonds. See “TAX MATTERS.”

Offering and Delivery of the Bonds

The Bonds are offered when, as and if issued, subject to approval as to the validity by Bond Counsel. It is anticipated that the Bonds will be available for delivery through the facilities of DTC on or about June __, 2021.

Continuing Disclosure

The District will covenant for the benefit of bondholders to make available certain financial information and operating data relating to the District and to provide notices of the occurrence of certain enumerated events, in compliance with S.E.C. Rule 15c2-12(b)(5). The specific nature of the information to be made available and of the notices of events required to be provided are summarized in Appendix D. See “LEGAL MATTERS – Continuing Disclosure.”

Professionals Involved in the Offering

Orrick, Herrington & Sutcliffe LLP, San Francisco, California, is acting as Bond Counsel to the District with respect to the Bonds. Fieldman, Rolapp & Associates, Inc., Irvine, California, will act as municipal advisor to the District in connection with the Bonds (the “Municipal Advisor”). Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, is serving as Disclosure Counsel to the District in connection with the Bonds. [Underwriter’s Counsel], is serving as Underwriter’s Counsel in connection with the sale and delivery of the Bonds. Causey, Demgen & Moore P.C. will serve as verification agent (the “Verification Agent”) with respect to the Prior Bonds.

Orrick, Herrington & Sutcliffe LLP, Stradling Yocca Carlson & Rauth, a Professional Corporation, [Underwriter's Counsel] and Fieldman, Rolapp & Associates, Inc. will receive compensation from the District contingent upon the sale and delivery of the Bonds.

Forward Looking Statements

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "project," "budget," "intend," or other similar words. Such forward-looking statements include, but are not limited to, certain statements contained in the information regarding the District herein.

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 the forward-looking statements set forth in this Official Statement.

Other Information

This Official Statement speaks only as of its date, and the information contained herein is subject to change. This Official Statement also contains brief descriptions of, among other things, the District, the Resolutions, the Paying Agent Agreements and certain matters relating to the security for the Bonds. Such descriptions and information do not purport to be comprehensive or definitive. All references herein to documents are qualified in their entirety by reference to such documents. Copies of such documents are available by request to the District's Executive Director, Planning Services, San Dieguito Union High School District, 684 Requeza Street, Encinitas, California 92024. The District may impose a fee for copying and shipping for any such documents.

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 herein and, if given or made, such other information or representations must not be relied upon as having been authorized by the District. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers of the Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact. The summaries and references to documents, statutes and constitutional provisions referred to herein do not purport to be comprehensive or definitive, and are qualified in their entireties by reference to each of such documents, statutes and constitutional provisions.

Certain information set forth herein, other than that provided by the District, has been obtained from official sources which are believed to be reliable but it is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the District. The information and expressions of opinions herein are subject to change without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there

has been no change in the affairs of the District since the date hereof. This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

Capitalized terms used but not otherwise defined herein shall have the meanings assigned to such terms in the Resolutions.

PLAN OF FINANCE

Refunding Bonds

The proceeds from the sale of the Refunding Bonds will be used by the District to refund certain maturities of the District's 2015 General Obligation Bonds (Election of 2012), Series B-2 (Tax-Exempt). The specific maturities of those bonds to be refunded (the "Prior Bonds") and the bonds to remain outstanding and unrefunded (the "Unrefunded Bonds") are listed in the following tables.

PRIOR BONDS* San Dieguito Union High School District

2015 General Obligation Bonds (Election of 2012), Series B-2 (Tax-Exempt)

<u>Maturity Date</u> <u>(August 1)</u>	<u>CUSIP</u> [†]	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Redemption Price</u> <u>(% of Par Amount)</u>
			August 1, 2025	100%

[A portion of the District's 2015 General Obligation Bonds (Election of 2012), Series B-2 (Tax-Exempt), as listed in the following table, are not being refunded from proceeds of the Bonds.]

UNREFUNDED BONDS* San Dieguito Union High School District

2015 General Obligation Bonds (Election of 2012), Series B-2 (Tax-Exempt)

<u>Maturity Date</u> <u>(August 1)</u>	<u>CUSIP</u> [†]	<u>Principal Amount</u>

The net proceeds from the sale of the Refunding Bonds shall be paid to U.S. Bank National Association, acting as escrow agent (the "Escrow Agent"), pursuant to an escrow agreement (the "Escrow Agreement") by and between the District and the Escrow Agent. The Escrow Agent will deposit such proceeds in the Escrow Fund (the "Escrow Fund") in an amount which, together with interest to accrue thereon, will be sufficient to enable the Escrow Agent to pay the redemption price of the Prior Bonds, on

* Preliminary, subject to change.

† CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Capital IQ on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for CUSIP Services. Neither the Underwriter nor the District is responsible for the selection or correctness of the CUSIP numbers set forth herein.

August 1, 2025, as well as the interest due on such Prior Bonds on and before such date. Amounts held in the Escrow Fund will be invested in certain Escrow Securities, as defined in the Escrow Agreement.

The sufficiency of the amounts on deposit in the Escrow Fund to pay the redemption prices of the Prior Bonds, and the accrued interest due on the Prior Bonds, on the above-referenced date, will be verified by Causey, Demgen & Moore P.C., Denver, Colorado (the “Verification Agent”). See “LEGAL MATTERS – Escrow Verification.” As a result of the deposit and application of funds so provided in the Escrow Agreement, and assuming the accuracy of the Verification Agent’s computations, the Prior Bonds will be defeased and the obligation of the County to levy *ad valorem* taxes for payment of the Prior Bonds will cease.

The accrued interest and surplus monies, if any, remaining after payment of the Prior Bonds in the Escrow Fund, when received by the District from the sale of the Refunding Bonds or following the redemption of the Prior Bonds, shall be kept separate and apart in the Interest and Sinking Fund (as defined herein) and used only for payment of principal of and interest on the Bonds. Any excess proceeds of the Refunding Bonds not needed for the authorized purposes for which the Refunding Bonds are being issued shall be transferred to the Interest and Sinking Fund and applied to the payment of principal of and interest on the Refunding Bonds.

Series E Bonds

A portion of the proceeds of the Series E Bonds will be applied to fund the costs of various components of the projects set forth under the Proposition AA Authorization to provide “safe, modern schools and prepare students for success in college and careers by repairing and upgrading outdated classrooms and schools, construction and upgrading school facilities, including classrooms, science labs, and libraries, improving safety and security, and supporting career training and math, science, and technology instruction with 21st Century instructional technology and facilities.”

The proceeds of the Series E-2 Bonds are expected to be used to finance specific construction, acquisition and modernization projects approved pursuant to the Proposition AA Authorization, including, but not limited to, modernization of classroom buildings at Diegueño Middle School and San Dieguito High School Academy, along with the construction of a new art classroom building complex at Torrey Pines High School, the replacement of aged portable classrooms with permanent classrooms at La Costa Canyon High School, and improvements to athletic facilities at Torrey Pines High School, San Dieguito High School Academy and La Costa Canyon High School.

The proceeds of the Series E-1 Bonds are expected to be used to finance the acquisition of certain equipment authorized pursuant to the Proposition AA Authorization and to pay certain of the District’s obligations with respect to the San Dieguito Public Facilities Authority Lease Revenue Bonds, Series 2010A (Qualified School Construction Bonds – Direct Subsidy).

The District, at its option, may elect to use the proceeds of the Series E Bonds to finance additional or other projects approved pursuant to the Proposition AA Authorization.

See “THE BONDS – Investment of Bond Proceeds” herein.

ESTIMATED SOURCES AND USES OF FUNDS**Refunding Bonds**

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

	<u>Proceeds of Refunding Bonds</u>
Sources of Funds	
Principal Amount of the Bonds	
[Net] Original Issue Premium	
Total Sources	
Uses of Funds	
Deposit to Escrow Fund	
Costs of Issuance ⁽¹⁾	
Total Uses	

⁽¹⁾ Includes fees of Bond Counsel and Disclosure Counsel, the Paying Agent, the Municipal Advisor, Underwriter's discount, Escrow Agent fees, Verification Agent fees, printing fees, demographics, rating agency fees, and certain other expenses related to the Refunding Bonds.

Series E Bonds

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

	<u>Series E-1 Bonds</u>	<u>Series E-2 Bonds</u>	<u>Total Series E Bonds</u>
Sources of Funds			
Principal Amount of the Bonds			
[Net] Original Issue Premium			
Total Sources			
Uses of Funds			
Deposit to Building Fund			
Deposit to Interest and Sinking Fund ⁽¹⁾			
Costs of Issuance ⁽²⁾			
Total Uses			

⁽¹⁾ Represents capitalized interest on the Series E Bonds.

⁽²⁾ Includes fees of Bond Counsel and Disclosure Counsel, the Paying Agent, the Municipal Advisor, Underwriter's discount, printing fees, demographics, rating agency fees, and certain other expenses related to the Series E Bonds.

THE BONDS**Security and Sources of Payment**

The Bonds are general obligations of the District, and payable solely from the proceeds of *ad valorem* property taxes. The Board of Supervisors of the County is empowered and obligated to annually levy *ad valorem* taxes for the payment of the principal of and interest on the Bonds upon all property within the District subject to taxation by the District without limitation as to rate or amount (except certain personal property which is taxable at limited rates). Such taxes, when collected, will be deposited

by the County into the interest and sinking fund for the Bonds (the “Interest and Sinking Fund”), which is segregated and held by the County and which is irrevocably pledged for the payment of principal of and interest on the Bonds when due. Although the County is obligated to levy an *ad valorem* tax for the payment of the Bonds, and the County will hold the Interest and Sinking Fund, the Bonds are not a debt of the County. See “TAX BASE FOR REPAYMENT OF THE BONDS.”

The monies in the Interest and Sinking Fund, to the extent necessary to pay the principal of and interest on the Bonds, as the same becomes due and payable, will be transferred by the Paying Agent to DTC to pay, as the case may be, the principal of and interest on the Bonds. DTC will thereupon make payment of principal and interest of such Bonds to the DTC Participants for subsequent disbursement to the Beneficial Owners of the Bonds.

The annual *ad valorem* tax rates levied by the County to repay the Bonds will be determined by the relationship between the assessed valuation of taxable property in the District and the amount of debt service due on the Bonds in any year. Fluctuations in the annual debt service on the Bonds and the assessed value of taxable property in the District may cause the annual tax rates to fluctuate. Economic and other factors beyond the District’s control, such as general market decline in land values, disruption in financial markets that may reduce the availability of financing for purchasers of property, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by the State and local agencies and property used for qualified education, hospital, charitable or religious purposes), or the complete or partial destruction of the taxable property caused by a natural or manmade disaster, such as earthquake, wildfire, flood or toxic contamination, could cause a reduction in the assessed value of taxable property within the District and necessitate a corresponding increase in the respective annual tax rates. For further information regarding the District’s assessed valuation, tax rates, overlapping debt, and other matters concerning taxation, see “TAX BASE FOR REPAYMENT OF THE BONDS” and “APPENDIX A – DISTRICT FINANCIAL AND OPERATING INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION.”

General Provisions

The Bonds will be dated the date of their delivery, and bear interest at the rates set forth on the preceding pages hereof, payable by check on February 1 and August 1 of each year (each, an “Interest Payment Date”), commencing August 1, 2021, with respect to the Refunding Bonds, and February 1, 2022, with respect to the Series E Bonds, until payment of the principal amount thereof, computed using a year of 360 days consisting of twelve 30-day months. Each Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless it is authenticated after the close of business on the 15th day of the calendar month immediately preceding an Interest Payment Date (each, a “Record Date”) and on or prior to the succeeding Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or unless it is authenticated on or before the Record Date preceding the first Interest Payment Date for such Bond, in which event it shall bear interest from its dated date; provided, however, that 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.

The principal of and interest on the Bonds shall be payable in lawful money of the United States of America to the Owner thereof, upon the surrender thereof at the principal corporate trust office of the Paying Agent. The money for the payment of principal of and interest on the Bonds shall be payable out of the Interest and Sinking Fund of the District. The Depository Trust Company is appointed depository for the Bonds and the Bonds shall be issued in book-entry form only, and shall be initially registered in the name of “Cede & Co.,” as nominee of DTC. 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 registered 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 on the date they are due. So long as the Bonds are held by Cede & Co., as nominee of DTC, payment will be made by wire transfer. See “APPENDIX F – BOOK-ENTRY ONLY SYSTEM.”

The Bonds will be issued in fully registered book-entry form only, as current interest bonds, in denominations of \$5,000 principal amount each or any integral multiple thereof. As long as DTC is the registered owner of the Bonds and DTC’s book-entry method is used for the Bonds, registered ownership of the Bonds may not be transferred except as described in Appendix F. Purchases of Bonds under the DTC system must be made by or through a DTC Participant, and ownership interests in 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 will not receive physical certificates representing their ownership interests. “APPENDIX F – BOOK-ENTRY ONLY SYSTEM.”

Redemption*

Optional Redemption. The Bonds maturing on or before August 1, 20__ are not subject to redemption prior to their respective stated maturity dates. The Bonds maturing on or after August 1, 20__, are subject to redemption prior to their stated maturity dates, at the option of the District, from any source of available funds, 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 called for redemption, together with interest accrued thereon to the date of redemption, without premium.

Mandatory Sinking Fund Redemption. The term Refunding Bonds maturing on August 1, 20__, are 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 <u>Redemption Date</u>	Principal Amount <u>to be Redeemed</u>
--	---

(1)

⁽¹⁾ Maturity.

Unless otherwise specified in writing by the District, 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 Refunding Bond optionally redeemed prior to the mandatory sinking fund redemption date.

The term Series E-2 Bonds maturing on August 1, 20__, are 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 <u>Redemption Date</u>	Principal Amount <u>to be Redeemed</u>
--	---

(1)

⁽¹⁾ Maturity.

Unless otherwise specified in writing by the District, 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 Series E-2 Bond optionally redeemed prior to the mandatory sinking fund redemption date.

Selection of Bonds for Redemption. If less than all of either the Refunding Bonds or the Series E Bonds are subject to such redemption and are called for redemption, such Bonds shall be redeemed in inverse order of maturities or as otherwise directed by the District, and if less than all of such 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.

Notice of Redemption. Notice of redemption of Bonds will be mailed postage prepaid not less than 20 nor more than 60 days prior to any redemption date (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.

Each notice of redemption shall state (i) the date of such notice; (ii) the name of the Bonds and the date of issue of the Bonds; (iii) the redemption date; (iv) the redemption price; (v) the series of Bonds and the dates of maturity or maturities of Bonds to be redeemed; (vi) if less than all of the Bonds of a series of any maturity are to be redeemed, the distinctive numbers of the Bonds of each maturity of such series to be redeemed; (vii) in the case of Bonds of a series redeemed in part only, the respective portions of the principal amount of the Bonds of each maturity of such series to be redeemed; (viii) the CUSIP number, if any, of each maturity of Bonds of a series to be redeemed; (ix) a statement that such Bonds must be surrendered by the Owners at the principal corporate trust office of the Paying Agent, or at such other place or places designated by the Paying Agent; (x) notice that further interest on such 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.

Effect of Notice of Redemption. When notice of redemption has been given substantially as described for in the applicable Resolution, and when the redemption price of the Bonds called for redemption is set aside for such purpose, the Bonds designated for redemption shall become due and payable on the specified redemption date and interest shall 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 shall 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 shall be entitled to payment thereof only from the Interest and Sinking Fund or the trust fund established for such purpose. All Bonds redeemed shall be cancelled by the Paying Agent and shall not be reissued.

A certificate of the Paying Agent that notice of redemption has been given to Owners as provided in the applicable Resolution shall be conclusive as against all parties. Neither the failure to receive the notice of redemption, nor any defect in such notice shall affect the sufficiency of the proceedings for the redemption of the Bonds or the cessation of interest on the date fixed for redemption.

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 shall 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 shall 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 shall not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice shall not affect the validity of the rescission.

Conditional Notice. Any notice of optional redemption delivered under the applicable Resolution may be conditioned on any fact or circumstance stated therein, and if such condition shall not have been satisfied on or prior to the redemption date stated in such notice, said notice shall be of no force and effect on and as of the stated redemption date, the redemption shall be cancelled, and the District shall not be required to redeem the Bonds that were the subject of the notice. The Paying Agent shall 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 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.

Defeasance of Bonds

If at any time the District shall pay or cause to be paid or there shall otherwise be paid to the Owners of any or all of the outstanding Refunding Bonds or Series E Bonds all or any part of the principal, interest and premium, if any, on such Bonds at the times and in the manner provided in the applicable Resolution and in such Bonds, or as described in the following paragraph, or as otherwise provided by law consistent with the applicable Resolution, then such Owners shall cease to be entitled to the obligation of the District, and such obligation and all agreements and covenants of the District and of the County to such Owners under the applicable Resolution and under the applicable 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 monies on deposit in the Interest and Sinking Fund or otherwise held in trust for such payment.

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

Investment of Bond Proceeds

A portion of the proceeds of sale of the Series E Bonds, exclusive of any premium received, will be deposited in the County treasury to the credit of the building fund of the District (the "Building Fund") created in accordance with the Series E Bonds Resolution. Any premium will be deposited upon receipt in the Interest and Sinking Fund of the District within the County treasury.

To the extent permitted by law, at the written request of the District, all or any portion of the Building Fund of the District may be invested on behalf of the District in the Local Agency Investment Fund in the treasury of the State and, in investment agreements, including guaranteed investment contracts, float contracts or other investment products (collectively, "Investment Agreements"), which comply with the requirements of each rating agency then rating the Bonds necessary in order to maintain the then-current rating on the Bonds. Any such Investment Agreement will be subject to the County's investment policies.

All funds held by the Treasurer-Tax Collector with respect to the Bonds, including funds held in the Interest and Sinking Fund and the Building Fund will be invested at the Treasurer-Tax Collector's discretion pursuant to law and the investment policy of the County. See "APPENDIX E – COUNTY OF SAN DIEGO INVESTMENT POOL." County of San Diego Investment Pool general information and portfolio statistics can be found at <http://www.sdttc.com/content/ttc/en/treasury/financial-reports.html>.

Unclaimed Moneys

Any money held in any fund created pursuant to the Resolutions, or by the Paying Agent or an escrow 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 of the District for payment of any outstanding bonds of the District payable from the fund; or, if no such bonds of the District are at such time outstanding, the monies shall be transferred to the general fund of the District as provided and permitted by law.

DEBT SERVICE SCHEDULES**Refunding Bonds**

The following table summarizes the annual debt service requirements of the District with respect to the Refunding Bonds (assuming no optional redemptions are made):

<u>Period Ending August 1*</u>	<u>Annual Principal Payment</u>	<u>Annual Interest Payment⁽¹⁾</u>	<u>Total Annual Debt Service</u>
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
Totals			

* Preliminary, subject to change.

⁽¹⁾ Interest payments on the Bonds will be made semiannually on February 1 and August 1 of each year, commencing August 1, 2021.

Series E Bonds

The following table summarizes the annual debt service requirements of the District with respect to the Series E Bonds (assuming no optional redemptions are made):

<u>Period Ending August 1*</u>	Serie E-1 Bonds		Serie E-2 Bonds		<u>Total Annual Debt Service</u>
	<u>Annual Principal Payment</u>	<u>Annual Interest Payment⁽¹⁾</u>	<u>Annual Principal Payment</u>	<u>Annual Interest Payment⁽¹⁾</u>	
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					
2037					
2038					
2039					
2040					
2041					
2042					
2043					
Totals					

* Preliminary, subject to change.

⁽¹⁾ Interest payments on the Bonds will be made semiannually on February 1 and August 1 of each year, commencing February 1, 2022.

See “APPENDIX A – DISTRICT FINANCIAL AND OPERATING INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – DISTRICT FINANCIAL INFORMATION – District Debt Structure” for a schedule of the combined debt service requirements for all of the District’s outstanding general obligation bonds.

TAX BASE FOR REPAYMENT OF THE BONDS

The information in this section describes ad valorem property taxation, assessed valuation, and other measures of the tax base of the District. The Bonds are payable solely from ad valorem taxes levied and collected by the County on taxable property in the District. The District's general fund is not a source for the repayment of the Bonds.

Ad Valorem Property Taxation

Taxes are levied by the County for each fiscal year on taxable real and personal property which is situated in the District as of the preceding January 1. For assessment and collection purposes, 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 public utilities property and real property having a tax lien which is sufficient, in the opinion of the County Assessor, to secure payment of the taxes. Other property is assessed on the "unsecured roll."

Property taxes on the secured roll are due in two installments, on November 1 and February 1 of each fiscal year. If unpaid, such taxes become delinquent on December 10 and April 10, respectively, and a 10% penalty attaches to any delinquent payment. Property on the secured roll with respect to which taxes are delinquent becomes tax defaulted on or about June 30 of the fiscal year. Such property may thereafter be redeemed by payment of a penalty of 1.5% per month to the time of redemption, plus costs and a redemption fee. If taxes are unpaid for a period of five years or more, the property is subject to sale by the County Treasurer-Tax Collector.

Property taxes on the unsecured roll are due as of the January 1 lien date and become delinquent, if unpaid, on August 31. A 10% penalty attaches to delinquent unsecured taxes. If unsecured taxes are unpaid at 5:00 p.m. on October 31, an additional penalty of 1.5% attaches to them on the first day of each month until paid. The taxing authority has four ways of collecting delinquent unsecured personal property taxes: (1) bringing a civil action against the taxpayer; (2) filing a certificate in the office of the County Clerk specifying certain facts in order to obtain a lien on certain property of the taxpayer; (3) filing a certificate of delinquency for record in the County Clerk and County Recorder's office in order to obtain a lien on certain property of the taxpayer; and (4) seizing and selling personal property, improvements, or possessory interests belonging or assessed to the assessee.

Assessed Valuations

The assessed valuation of property in the District is established by the County Assessor, except for public utility property which is assessed by the State Board of Equalization. Assessed valuations are reported at 100% of the "full cash value" of the property, as defined in Article XIII A of the California Constitution ("Article XIII A"). For a discussion of how properties currently are assessed, refer to Appendix A under the heading "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING SCHOOL DISTRICT REVENUES AND APPROPRIATIONS." Certain classes of property, such as churches, colleges, not-for-profit hospitals, and charitable institutions, are exempt from property taxation and do not appear on the tax rolls.

Property within the District has a total assessed valuation for fiscal year 2020-21 of \$72,688,461,154. Shown in the following table are the assessed valuations for the District since fiscal year 2011-12. The District's assessed valuation increased by 38.7% between fiscal year 2011-12 and fiscal year 2020-21, representing an approximate annual compound growth rate of 4.3%.

ASSESSED VALUATION
Fiscal Years 2011-12 to 2020-21
San Dieguito Union High School District

Fiscal Year	Secured	Utility ⁽¹⁾	Unsecured	Total Assessed Valuation	Annual % Change
2011-12	47,530,327,546	--	456,603,803	47,986,931,349	--
2012-13	47,578,669,467	--	457,723,222	48,036,392,689	0.1%
2013-14	49,360,825,957	--	481,384,671	49,842,210,628	3.8
2014-15	52,199,264,399	--	499,872,872	52,699,137,271	5.7
2015-16	55,245,584,795	--	537,063,698	55,782,648,493	5.9
2016-17	58,275,864,498	--	520,598,953	58,796,463,451	5.4
2017-18	61,686,261,272	--	543,900,386	62,230,161,658	5.8
2018-19	65,493,391,044	--	547,218,850	66,040,609,894	6.1
2019-20	68,685,265,045	--	572,301,003	69,257,566,048	4.9
2020-21	72,056,550,998	--	631,910,156	72,688,461,154	1.0

⁽¹⁾ Excludes assessed valuation from unitary utility roll.

Source: California Municipal Statistics, Inc.

Economic and other factors beyond the District's control, such as general market decline in property values, disruption in financial markets that may reduce availability of financing for purchasers of property, outbreak of disease, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by the State and local agencies and property used for qualified education, hospital, charitable or religious purposes), or the complete or partial destruction of the taxable property caused by a natural or manmade disaster, such as earthquake, wildfire, flood or toxic contamination, could cause a reduction in the assessed value of taxable property within the District. Any such reduction would result in a corresponding increase in the annual tax rate levied by the County to pay the debt service with respect to the Bonds. For further information regarding the District's assessed valuation, tax rates, overlapping debt, and other matters concerning taxation, see APPENDIX A – DISTRICT FINANCIAL AND OPERATING INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING SCHOOL DISTRICT REVENUES AND APPROPRIATIONS – Article XIII A of the California Constitution.” For additional information regarding risks related to outbreaks of disease, see APPENDIX A – DISTRICT FINANCIAL AND OPERATING INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – DISTRICT FINANCIAL INFORMATION – Considerations Regarding COVID-19.”

Bonding Capacity. As a union high school district, the District may not issue bonds in excess of 1.25% of the assessed valuation of taxable property within its boundaries, as shown on the final assessment roll as of August 20 of each year. The District's gross bonding capacity is estimated at approximately \$900.7 million, and with approximately \$364 million in principal amount of general obligation bonds outstanding as of March 1, 2021, its net bonding capacity is approximately \$536 million, prior to the issuance of the Bonds.

Appeals and Reductions of Assessed Valuations

Under California law, property owners may apply for a reduction of their property tax assessment by filing a written application, in form prescribed by the State Board of Equalization, with the appropriate county board of equalization or assessment appeals board. County assessors may independently reduce assessed values as well based upon the above factors or reductions in the fair market value of the taxable property. In most cases, the appeal is filed because the applicant believes that present market conditions

(such as residential home prices) cause the property to be worth less than its current assessed value. Any reduction in the assessment ultimately granted as a result of such appeal applies to the year for which application is made and during which the written application was filed. Such reductions are subject to yearly reappraisals and may be adjusted back to their original values when market conditions improve. Once the property has regained its prior value, adjusted for inflation, it once again is subject to the annual inflationary factor growth rate allowed under Article XIII A. See APPENDIX A – DISTRICT FINANCIAL AND OPERATING INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING SCHOOL DISTRICT REVENUES AND APPROPRIATIONS – Article XIII A of the California Constitution.”

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

The District has not undertaken an analysis of current outstanding appeals or historic appeals by property owners or any extent of historic adjustments made by the County Assessor. No assurance can be given that property tax appeals in the future will not significantly reduce the assessed valuation of property within the District.

Assembly Bill 102. On June 27, 2017, the Governor signed into law Assembly Bill 102 (“AB 102”). AB 102 restructures the functions of the SBE and creates two new separate agencies: (i) the California Department of Tax and Fee Administration, and (ii) the Office of Tax Appeals. Under AB 102, the California Department of Tax and Fee Administration will take over programs previously in the SBE Property Tax Department, such as the Tax Area Services Section, which is responsible for maintaining all property tax-rate area maps and for maintaining special revenue district boundaries. Under AB 102, the SBE will continue to perform the duties assigned by the State Constitution related to property taxes, however, beginning January 1, 2018, the SBE will only hear appeals related to the programs that it constitutionally administers and the Office of Tax Appeals will hear appeals on all other taxes and fee matters, such as sales and use tax and other special taxes and fees. AB 102 obligates the Office of Tax Appeals to adopt regulations as necessary to carry out its duties, powers, and responsibilities. No assurances can be given as to the effect of such regulations on the appeals process or on the assessed valuation of property within the District.

Assessed Valuation and Parcels by Land Use

The following table is an analysis of the District's secured assessed valuation by land use.

ASSESSED VALUATION AND PARCELS BY LAND USE				
Fiscal Year 2020-21				
San Dieguito Union High School District				
	<u>2020-21</u> <u>Assessed Valuation⁽¹⁾</u>	<u>% of</u> <u>Total</u>	<u>No. of</u> <u>Parcels</u>	<u>% of</u> <u>Total</u>
<u>Non-Residential:</u>				
Agricultura/ Rural	\$109,096,278	0.15%	169	0.22%
Commercial	6,948,544,882	9.64	1,315	1.72
Vacant Commercial	117,531,200	0.16	117	0.15
Industrial	208,195,645	0.29	56	0.07
Vacant Industrial	15,639,746	0.02	21	0.03
Recreational	410,729,428	0.57	439	0.57
Government/Social/Institutional	<u>53,591,549</u>	<u>0.07</u>	<u>170</u>	<u>0.22</u>
Subtotal Non-Residential	\$7,863,328,728	10.91%	2,287	2.99%
<u>Residential:</u>				
Single Family Residence	\$50,764,091,298	70.45%	43,807	57.21%
Condominium/Townhouse	8,552,925,431	11.87	15,814	20.65
Timeshare	97,873,150	0.14	9,631	12.58
Mobile Home	50,713,200	0.07	309	0.40
Mobile Home Park	31,805,572	0.04	12	0.02
2-4 Residential Units	1,545,053,915	2.14	1,784	2.33
5+ Residential Units/Apartments	2,130,769,933	2.96	229	0.30
Miscellaneous Residential	31,754,785	0.04	777	1.01
Vacant Residential	<u>988,234,986</u>	<u>1.37</u>	<u>1,924</u>	<u>2.51</u>
Subtotal Residential	\$64,193,222,270	89.09%	74,287	97.01%
Total	\$72,056,550,998	100.00%	76,574	100.00%

⁽¹⁾ Local secured assessed valuation; excluding tax-exempt property.

Source: California Municipal Statistics, Inc.

Assessed Valuation Per Parcel of Single Family Homes

The following table is an analysis of the District's assessed valuation per parcel of single family homes for fiscal year 2020-21.

ASSESSED VALUATION PER PARCEL OF SINGLE FAMILY HOMES**Fiscal Year 2020-21****San Dieguito Union High School District**

	No. of <u>Parcels</u>	2020-21 <u>Assessed Valuation</u>	Average <u>Assessed Valuation</u>	Median <u>Assessed Valuation</u>		
Single Family Residential	43,807	\$50,764,091,298	\$1,158,812	\$925,954		
2020-21 <u>Assessed Valuation</u>	No. of <u>Parcels</u> ⁽¹⁾	% of <u>Total</u>	Cumulative <u>% of Total</u>	Total <u>Valuation</u>	% of <u>Total</u>	Cumulative <u>% of Total</u>
\$0 - \$99,999	955	2.180%	2.180%	\$69,815,540	0.138%	0.138%
\$100,000 - \$199,999	1,625	3.709	5.889	238,251,462	0.469	0.607
\$200,000 - \$299,999	1,950	4.451	10.341	496,028,503	0.977	1.584
\$300,000 - \$399,999	2,630	6.004	16.344	921,006,047	1.814	3.398
\$400,000 - \$499,999	2,527	5.768	22.113	1,135,915,270	2.238	5.636
\$500,000 - \$599,999	2,624	5.990	28.103	1,443,240,458	2.843	8.479
\$600,000 - \$699,999	2,547	5.814	33.917	1,657,605,457	3.265	11.744
\$700,000 - \$799,999	2,926	6.679	40.596	2,194,980,097	4.324	16.068
\$800,000 - \$899,999	3,289	7.508	48.104	2,793,556,448	5.503	21.571
\$900,000 - \$999,999	3,180	7.259	55.363	3,020,425,908	5.950	27.521
\$1,000,000 - \$1,099,999	2,763	6.307	61.671	2,892,386,081	5.698	33.219
\$1,100,000 - \$1,199,999	2,179	4.974	66.645	2,500,677,418	4.926	38.145
\$1,200,000 - \$1,299,999	1,943	4.435	71.080	2,424,242,222	4.776	42.920
\$1,300,000 - \$1,399,999	1,647	3.760	74.840	2,218,206,232	4.370	47.290
\$1,400,000 - \$1,499,999	1,510	3.447	78.287	2,185,213,669	4.305	51.595
\$1,500,000 - \$1,599,999	1,234	2.817	81.103	1,906,721,201	3.756	55.351
\$1,600,000 - \$1,699,999	935	2.134	83.238	1,538,411,925	3.031	58.381
\$1,700,000 - \$1,799,999	804	1.835	85.073	1,404,271,564	2.766	61.147
\$1,800,000 - \$1,899,999	710	1.621	86.694	1,310,860,720	2.582	63.730
\$1,900,000 - \$1,999,999	574	1.310	88.004	1,116,469,038	2.199	65.929
\$2,000,000 and greater	<u>5,255</u>	<u>11.996</u>	100.000	<u>17,295,806,038</u>	<u>34.071</u>	100.000
Total	43,807	100.000%		\$50,764,091,298	100.000%	

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

Assessed Valuation by Jurisdiction

The following table is an analysis of the District's assessed valuation by jurisdiction for fiscal year 2020-21.

ASSESSED VALUATION BY JURISDICTION⁽¹⁾
Fiscal Year 2020-21
San Dieguito Union High School District

<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 Carlsbad	\$6,452,900,883	8.88%	\$36,906,318,830	17.48%
City of Del Mar	4,239,256,907	5.83	\$4,239,256,907	100.00%
City of Encinitas	18,084,459,057	24.88	\$18,084,459,057	100.00%
City of San Diego	24,906,436,280	34.26	\$278,960,852,905	8.93%
City of San Marcos	2,670,111	0.00	\$14,331,123,577	0.02%
City of Solana Beach	5,547,944,868	7.63	\$5,547,944,868	100.00%
Unincorporated San Diego County	<u>13,454,793,048</u>	<u>18.51</u>	\$81,125,695,760	16.59%
Total District	\$72,688,461,154	100.00%		
San Diego County	\$72,688,461,154	100.00%	\$585,657,954,957	12.41%

⁽¹⁾ Before deduction of redevelopment incremental valuation.

Source: *California Municipal Statistics, Inc.*

Taxation of State-Assessed Utility Property

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

Changes in the California electric utility industry structure and in the way in which components of the industry are regulated and owned, including the sale of electric generation assets to largely unregulated, nonutility companies, may affect how utility assets are assessed in the future, and which local agencies are to receive the property taxes. The District is unable to predict the impact of these changes on their utility property tax revenues, or whether legislation or litigation may affect ownership of utility assets or the State's methods of assessing utility property and the allocation of assessed value to local taxing agencies, including the District.

Secured Tax Charges

The following table shows the secured tax charges for taxes collected in the District by the County from fiscal year 2010-11 through fiscal year 2019-20 with respect to the tax levy within the District for general obligation bonds. Information regarding delinquency rates is not provided herein because the County utilizes the Teeter Plan (defined below) for assessment levy and distribution. See “– Alternative Method of Tax Apportionment” below.

SECURED TAX CHARGES
Fiscal Years 2010-11 through 2019-20
San Dieguito Union High School District

Fiscal Year	Secured Tax Charge ⁽¹⁾
2010-11	75,149,869.28
2011-12	75,585,161.31
2012-13	76,400,023.61
2013-14	79,335,607.79
2014-15	83,850,485.85
2015-16	88,905,300.35
2016-17	93,924,523.18
2017-18	99,213,650.53
2018-19	105,189,950.98
2019-20	110,384,573.04

⁽¹⁾ 1% General Fund apportionment.

Source: California Municipal Statistics, Inc.

Alternative Method of Tax Apportionment

The Board of Supervisors of the County has approved the implementation of the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the “Teeter Plan”), as provided for in Section 4701 *et seq.* of the California Revenue and Taxation Code. Under the Teeter Plan, the County apportions secured property taxes on an accrual basis when due (irrespective of actual collections) to its local political subdivisions, including the District, for which the County acts as the tax-levying or tax-collecting agency.

The Teeter Plan is applicable to all tax levies for which the County acts as the tax-levying or tax-collecting agency, or for which the County treasury is the legal depository of the tax collections. As adopted by the County, the Teeter Plan excludes Mello-Roos community facilities districts and special assessment districts which provide for accelerated judicial foreclosure of property for which assessments are delinquent.

The *ad valorem* property tax to be levied to pay the interest on and principal of the Bonds will be subject to the Teeter Plan, beginning in the first year of such levy. The District will receive 100% of the *ad valorem* property tax levied to pay the Bonds irrespective of actual delinquencies in the collection of the tax by the County. In connection with its adoption of the Teeter Plan, the County advanced to the participating taxing agencies an amount equal to 95% of the total prior year’s delinquent secured property taxes and assessments (not including penalties and interest) and 100% of the current year’s delinquent secured property taxes and assessments outstanding.

The Teeter Plan is to remain in effect unless the Board of Supervisors of the County 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 joined in by a resolution adopted by at least two-thirds of the participating revenue districts in the County. In the event the Board of Supervisors is to order discontinuance of the Teeter Plan subsequent to its implementation, only those secured property taxes actually collected would be allocated to political subdivisions (including the District) for which the County acts as the tax-levying or tax-collecting agency.

There can be no assurance that the County will always maintain the Teeter Plan or will have sufficient funds available to distribute the full amount of the District's share of property tax collections to the District. The ability of the County to maintain the Teeter Plan may depend on its financial resources and may be affected by future property tax delinquencies. Property tax delinquencies may be impacted by economic and other factors beyond the District's or the County's control, including the ability or willingness of property owners to pay property taxes during an economic recession or depression. An economic recession or depression could be caused by many factors outside the control of the District, including high interest rates, reduced consumer confidence, reduced real wages or reduced economic activity as a result of the spread of COVID-19 or other outbreak of disease or natural or manmade disaster. See "APPENDIX A – DISTRICT FINANCIAL AND OPERATING INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – DISTRICT FINANCIAL INFORMATION – Considerations Regarding COVID-19." However, notwithstanding any possible future change to or discontinuation of the Teeter Plan, State law requires the County to levy *ad valorem* property taxes sufficient to pay the Bonds when due.

Tax Rates

A representative tax rate area located within the District, Tax Rate Area 8-119 ("TRA 8-119"), accounted for approximately 17.76% of the District's total assessed valuation in fiscal year 2020-21. The table below summarizes the total *ad valorem* tax rates levied by all taxing entities in TRA 8-119 during the five-year period from 2016-17 to 2020-21.

SUMMARY OF AD VALOREM TAX RATES
Fiscal Years 2016-17 through 2020-21
\$1 Per \$100 Of Assessed Valuation
San Dieguito Union High School District

Tax Rate Area 8-119 – 2020-21 Assessed Valuation: \$12,912,421,317

	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>
General	1.00000%	1.00000%	1.00000%	1.00000%	1.00000%
City of San Diego	.00500	.00500	.00500	.00500	.00500
Metropolitan Water District	.00350	.00350	.00350	.00350	.00350
Mira Costa Community College District	--	.01443	.01294	.01299	.01373
San Dieguito Union High School District	.02275	.02229	.02298	.02318	.02327
Del Mar Union School District	--	--	--	.02674	.02600
Total	1.03125%	1.04522%	1.04442%	1.07141%	1.07152%

Source: California Municipal Statistics, Inc.

The annual *ad valorem* tax rates levied by the County will be determined by the relationship between the assessed valuation of taxable property in the District and the amount of obligations payable from *ad valorem* taxes in a given year. Fluctuations in the assessed value of taxable property in the District may cause the annual tax rates to fluctuate. See "– Assessed Valuations" above.

Largest Property Owners

The following table shows the 20 largest property taxpayers in the District as determined by secured assessed valuation in fiscal year 2020-21.

LARGEST 2020-21 LOCAL SECURED PROPERTY TAXPAYERS San Dieguito Union High School District

	<u>Property Owner</u>	<u>Primary Land Use</u>	2020-21 <u>Assessed Valuation</u>	<u>Total</u> ⁽¹⁾
1.	Kilroy Realty LP	Office Building	\$848,855,805	1.18%
2.	Irvine Co. LLC	Apartments	309,349,007	0.43
3.	Continuing Life Communities LLC	Rest Home	301,508,758	0.42
4.	GDM Hotel Properties LLC	Hotel	228,858,825	0.32
5.	T-C Forum at Carlsbad LLC	Shopping Center	206,583,259	0.29
6.	Paseo Del Mar LLC	Office Building	168,810,000	0.23
7.	Del Mar Highlands Town Center Associates	Commercial	166,446,430	0.23
8.	La Costa Town Center LLC	Shopping Center	154,861,764	0.21
9.	Torrey Garden Hills I LLC	Apartments	147,263,193	0.20
10.	Carmel Village LP	Apartments	133,460,514	0.19
11.	Cognac Del Mar Owner I & II LLC	Office Building	122,541,212	0.17
12.	SWVPMMD LLC	Hotel	121,272,888	0.17
13.	BRE CA Office Owner LLC	Office Building	115,578,656	0.16
14.	Pacific Highlands Ranch LP	Apartments	112,092,904	0.16
15.	BRE-FMCA LLC	Apartments	110,205,482	0.15
16.	Gateway Torrey Hills LLC	Office Building	109,242,000	0.15
17.	Torrey Hills Apartments SD LLC	Apartments	106,313,434	0.15
18.	Trea Pacific Plaza LLC	Office Building	105,100,000	0.15
19.	SBTC Holdings LLC	Shopping Center	102,021,684	0.14
20.	Township 14 LLC	Office Building	<u>90,068,860</u>	<u>0.12</u>
			\$3,760,434,675	5.22%

⁽¹⁾ 2020-21 Local Secured Assessed Valuation: \$72,056,550,998.

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. In fiscal year 2020-21, no single taxpayer owned more than 1.18% of the total secured assessed taxable property in the District. Each taxpayer listed is a unique name appearing on the tax rolls; the District cannot determine from County assessment records whether individual persons, corporations or other organizations are liable for tax payments with respect to multiple properties held in various names that in aggregate may be larger than is suggested by the table.

Statement of Direct and Overlapping Debt

Set forth below is a direct and overlapping debt report regarding the District (a "Debt Report") prepared by California Municipal Statistics, Inc. and effective April 1, 2021, for debt issued as of March 11, 2021. The Debt Report is included for general information purposes only. The District has not reviewed the Debt Report for completeness or accuracy and makes no representation in connection therewith.

The Debt Report generally includes long-term obligations sold in the public credit markets by public agencies whose boundaries overlap the boundaries of the District in whole or in part. Such long-term obligations generally are not payable from revenues of the District (except as indicated) nor are they

necessarily obligations secured by land within the District. In many cases, long-term obligations issued by a public agency are payable only from the general fund or other revenues of such public agency. The contents of the Debt Report are as follows: (1) the first column indicates the public agencies which have outstanding debt as of the date of the Debt Report and whose territory overlaps the District; (2) the second column shows the respective percentage of the assessed valuation of the overlapping public agencies identified in column 1 which is represented by property located in the District; and (3) the third column is an apportionment of the dollar amount of each public agency's outstanding debt (which amount is not shown in the table) to property in the District, as determined by multiplying the total outstanding debt of each agency by the percentage of the District's assessed valuation represented in the second column.

The table below includes obligations associated with community facilities districts established within the District in an aggregate outstanding principal amount of \$101,755,000 (the "Special Tax Bonds"). In each case, the Special Tax Bonds are secured by special taxes levied against the land within the respective community facilities districts to pay for certain improvements. See "APPENDIX A – DISTRICT FINANCIAL AND OPERATING INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – DISTRICT FINANCIAL INFORMATION – District Debt Structure – Non-Obligatory Debt; Community Facilities Districts."

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**STATEMENT OF DIRECT AND OVERLAPPING BONDED DEBT
San Dieguito Union High School District**

2020-21 Assessed Valuation: \$72,688,461,154

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	% Applicable	Debt 4/1/21
Metropolitan Water District	2.227%	\$597,504
Mira Costa Community College District	60.501	185,293,388
Palomar Community College District	0.085	557,533
San Diego Community College District	0.024	307,490
San Dieguito Union High School District	100.000	341,625,000⁽¹⁾
Cardiff School District	100.000	23,406,075
Del Mar Union School District	100.000	50,060,000
Encinitas Union School District	100.000	45,278,945
Rancho Santa Fe School District	100.000	30,842,074
Solana Beach School District School Facilities Improvement District No. 2016-1	100.000	93,095,000
Palomar Pomerado Hospital District	0.090	373,974
San Dieguito Union High School District Community Facilities Districts	100.000	101,755,000
Del Mar Union School District Community Facilities District No. 95-1	100.000	12,955,000
Del Mar Union School District Community Facilities District No. 99-1	100.000	37,990,000
North City West School District Community Facilities District No. 1	100.000	34,812,921
Solana Beach School District Community Facilities District Nos. 99-1, 2000-1 and 2004-1	100.000	31,110,000
Rancho Santa Fe Community Services District Community Facilities District No. 1	45.316	12,876,541
City of Encinitas Community Facilities District No. 1	100.000	20,635,000
Olivenhain Municipal Water District Assessment District No. 96-1	73.401	4,635,273
Other City and Special District 1915 Act Bonds (Estimate)	100.000	37,617,000
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		\$1,065,823,718
 <u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>		
San Diego County General Fund Obligations	12.411%	\$26,259,814
San Diego County Pension Obligation Bonds	12.411	49,659,514
San Diego County Superintendent of Schools Obligations	12.411	1,065,484
Palomar Community College District General Fund Obligations	0.085	1,326
San Dieguito Union High School District General Fund Obligations	100.000	12,730,000
City of Encinitas Certificates of Participation	100.000	39,350,000
City of San Diego General Fund Obligations	8.928	43,589,570
City of San Marcos Certificates of Participation	0.019	491
City of Solana Beach Certificates of Participation	100.000	287,700
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT		\$172,943,899
 <u>OVERLAPPING TAX INCREMENT DEBT:</u>		
Solana Beach Redevelopment Agency (Successor Agency)	100.000%	\$2,351,400
TOTAL OVERLAPPING TAX INCREMENT DEBT		\$2,351,400
 COMBINED TOTAL DEBT		 \$1,241,119,017⁽²⁾

(1) Excludes the Bonds; includes the Prior Bonds.

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

Ratios to 2020-21 Assessed Valuation:

Direct Debt (\$341,625,000)	0.47%
Total Overlapping Tax and Assessment Debt	1.47%
Combined Direct Debt (\$354,355,000)	0.49%
Combined Total Debt	1.71%

Ratios to Redevelopment Incremental Valuation (\$174,426,567):

Total Overlapping Tax Increment Debt	1.35%
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Source: California Municipal Statistics, Inc.

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 Internal Revenue Code of 1986 (the “Code”) and is exempt from State of California personal income taxes. Bond Counsel is of the further opinion that interest on the Tax-Exempt Bonds is not a specific preference item for purposes of the federal alternative minimum tax. A complete copy of the proposed form of opinion of Bond Counsel is set forth in Appendix C 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 State of California 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 of California 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 is expected to express 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 Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the District, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The District has covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Tax-Exempt 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, parties other than the District and its appointed counsel, including the 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.

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 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 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 C hereto.

The following discussion summarizes certain U.S. federal 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 tax consequences discussed below, and no assurance can be given that the IRS will not take contrary positions. Further, the following discussion does not deal with U.S. tax consequences applicable to any given investor, nor does it address the U.S. tax considerations applicable to all categories of investors, some of which may be subject to special taxing rules (regardless of whether or not such investors constitute U.S. Holders), such as certain U.S. expatriates, banks, REITs, RICs, insurance companies, tax-exempt organizations, dealers or traders in securities or currencies, partnerships, S corporations, estates and trusts, investors that hold their Taxable Bonds as part of a hedge, straddle or an integrated or conversion transaction, or investors whose “functional currency” is not the U.S. dollar. 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).

Notwithstanding the rules described below, it should be noted that, under newly enacted law that is effective for tax years beginning after December 31, 2017 (or, in the case of original issue discount, for tax years beginning after December 31, 2018), certain taxpayers with certain regulatory or governmental agencies may be required to recognize income, gain and loss with respect to the Taxable Bonds at the time that such income, gain or loss is recognized on such financial statements instead of under the rules described below.

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.

To the extent that the issue price of any maturity of the Taxable Bonds is less than the amount to be paid at maturity of such Taxable Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Taxable Bonds) by more than a de minimis amount, the difference may constitute original issue discount ("OID"). U.S. Holders of Taxable Bonds will be required to include OID in income for U.S. federal income tax purposes as it accrues, in accordance with a constant yield method based on a compounding of interest (which may be before the receipt of cash payments attributable to such income). Under this method, U.S. Holders generally will be required to include in income increasingly greater amounts of OID in successive accrual periods.

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, and increased by the amount of any OID previously included in income by such U.S. Holder with respect to such Taxable 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 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 tax basis in the Taxable Bonds.

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 U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in

Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against the U.S. Holder's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain U.S. holders (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. A holder's failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

Non-U.S. Holders

Interest. Subject to the discussions below under the headings "Information Reporting and Backup Withholding" and "Foreign Account Tax Compliance Act," payments of principal of, and interest on, any Taxable Bond to a Non-U.S. Holder, other than (1) a controlled foreign corporation, as such term is defined in the Code, which is related to the District through stock ownership 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 "FATCA," 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.

U.S. Federal Estate Tax. A Taxable Bond that is held by an individual who at the time of death is not a citizen or resident of the United States will not be subject to U.S. federal estate tax as a result of such individual's death, provided that, at the time of such individual's death, payments of interest with respect to such Taxable Bond would not have been effectively connected with the conduct by such individual of a trade or business within the United States.

Information Reporting and Backup Withholding. Subject to the discussion below under the heading "FATCA," 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. 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 and principal under the Taxable Bonds and sales proceeds of Taxable Bonds held by or through a foreign entity. In general, withholding under FATCA currently applies to payments of U.S. source interest (including OID) and, under current guidance, will apply to (i) gross proceeds from the sale, exchange or retirement of debt obligations paid after December 31, 2018 and (ii) certain “passthru” payments no earlier than January 1, 2019. 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.

LIMITATION ON REMEDIES; BANKRUPTCY

General. State law contains certain safeguards to protect the financial solvency of school districts. See “APPENDIX A – DISTRICT FINANCIAL AND OPERATING INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – DISTRICT FINANCIAL INFORMATION – Budget Process.” If the safeguards are not successful in preventing a school district from becoming insolvent, 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 school district for the adjustment of its debts, assuming that the school district meets certain other requirements contained in the Bankruptcy Code necessary for filing a petition under Chapter 9. School districts are not themselves authorized to file a bankruptcy proceeding, and they are not subject to involuntary bankruptcy.

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 automatic stay provisions of Bankruptcy Code Sections 362 and 922 generally would prohibit creditors from taking any action to collect amounts due from the District or to enforce any obligation of the District related to such amounts due, without consent of the District or authorization of the bankruptcy court (although such stays would not operate to block creditor application of pledged special revenues to payment of indebtedness secured by such revenues). In addition, as part of its plan of adjustment in a Chapter 9 bankruptcy case, 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, as long as the bankruptcy court determines that the alterations are fair and equitable. 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. Moreover, 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.

Statutory Lien. Pursuant to Section 53515 of the California Government Code, the Bonds are secured by a statutory lien on all revenues received pursuant to the levy and collection of the tax, and such lien automatically arises, without the need for any action or authorization by the District or its Board, and is valid and binding from the time the Bonds are executed and delivered. See “THE BONDS – Security and Sources of Payment” herein. Although a statutory lien would not be automatically terminated by the filing of a Chapter 9 bankruptcy petition by the District, the automatic stay provisions of the Bankruptcy Code would apply and payments that become due and owing on the Bonds during the pendency of the Chapter 9 proceeding could be delayed, unless the Bonds are determined to be secured by a pledge of “special revenues” within the meaning of the Bankruptcy Code and the pledged *ad valorem* taxes are applied to pay the Bonds in a manner consistent with the Bankruptcy Code.

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* revenues 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. State law prohibits the use of the tax proceeds for any purpose other than payment of the bonds and the bond proceeds can only be used to finance or refinance 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 bonds in California, so no assurance can be given that a bankruptcy court would not hold otherwise.

Possession of Tax Revenues; Remedies. The County on behalf of the District is expected to be in possession of the annual *ad valorem* property taxes and certain funds to repay the Bonds and may invest these funds in the Los Angeles County Treasury Pool, as described in “THE BONDS – Investment of Bond Proceeds” herein and “APPENDIX E – COUNTY OF SAN DIEGO INVESTMENT POOL” attached hereto. If the County goes into bankruptcy and has possession of tax revenues (whether collected before or after commencement of the bankruptcy), and if the County 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. Further, should those 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 the approving opinions of Bond Counsel attached hereto as Appendix C are qualified by reference to bankruptcy, insolvency and other laws relating to or affecting creditor’s rights. Bankruptcy proceedings, if initiated, could subject the owners of the Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation, or modification of their rights.

LEGAL MATTERS

Continuing Disclosure

The District has covenanted for the benefit of holders and Beneficial Owners of the Bonds to provide certain 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 (the District’s fiscal year ends on June 30), commencing with the report for the 2020-21 fiscal year (which is due not later than March 31, 2022), and to provide notices of the occurrence of certain enumerated events. The Annual Report and the notices of events will be filed in accordance with the requirements of S.E.C. Rule 15c2-12(b)(5) (the “Rule”). The specific nature of the information to be made available and to be contained in the notices of enumerated events is described in the form of Continuing Disclosure Certificate attached hereto as Appendix D. These covenants have been made in order to assist the Underwriter in complying with the Rule.

[To be confirmed.] The District did not timely file certain budget and financial information and certain enumerated data with respect to Fiscal Year 2015-16 in accordance with continuing disclosure undertakings related to its then-outstanding general obligation bonds and lease revenue bonds. In response to a continuing disclosure undertaking executed by the San Dieguito School Facilities Financing Authority on behalf of itself and certain community facilities districts formed by the District, the Authority did not timely file certain information pertaining to a previously filed CDIAC Yearly Status Report, as part of its annual continuing disclosure information statement for Fiscal Year 2016-17. In addition, the District did not, on or before the dates specified in the related continuing disclosure undertakings, submit notices of late filings in accordance with the continuing disclosure undertakings. The District subsequently filed the budget information and filed notices with respect to the late filings for outstanding issues. The District has retained Willdan Financial Services, Inc. to serve as dissemination agent with respect to its various continuing disclosure undertakings.

Legality for Investment in California

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

Absence of Material Litigation

No litigation is pending or threatened concerning the validity of the Bonds, and a certificate to that effect will be furnished to the Underwriter at the time of the original delivery of the Bonds. The District is not aware of any litigation pending or threatened questioning the political existence of the District or contesting the levy or collection of *ad valorem* taxes to pay the principal of and interest on the Bonds, or the ability of the District to collect other revenues or contesting the District’s ability to issue and retire the Bonds.

The District is subject to lawsuits and claims in the ordinary course of its operations. In the opinion of the District, the aggregate amount of the uninsured liabilities of the District under these lawsuits and claims will not materially affect the finances of the District.

Legal Opinion

The validity of the Bonds and certain other legal matters are subject to the approving opinions of Orrick, Herrington & Sutcliffe LLP, San Francisco, California, as Bond Counsel. Copies of the proposed forms of such legal opinions are attached to this Official Statement as Appendix C.

Escrow Verification

Upon delivery of the Refunding Bonds, Causey, Demgen & Moore P.C., Denver, Colorado, will deliver a report on the mathematical accuracy of certain computations based upon certain information and assertions provided to them by the Underwriter relating to the adequacy of the amounts in the Escrow Fund to pay the redemption price of and accrued interest on the Prior Bonds.

Financial Statements

The financial statements with supplemental information for the year ended June 30, 2020, the independent auditor's report of the District, and the related statements of activities and of cash flows for the year then ended, and the report dated February 26, 2021, of Wilkinson Hadley King & Co. LLP (the "Auditor"), are included in this Official Statement as Appendix B. In connection with the inclusion of the financial statements and the reports of the Auditor thereon in Appendix B to this Official Statement, the District did not request the Auditor to, and the Auditor has not undertaken to, update its report or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement, and no opinion is expressed by the Auditor with respect to any event subsequent to the date of its reports.

Information Reporting and Backup Withholding

Information reporting requirements apply to interest (including original issue discount) paid after March 31, 2007, on tax-exempt obligations, including the Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, "Request for Taxpayer Identification Number and Certification," or unless the recipient is one of a limited class of exempt recipients, including corporations. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an Owner purchasing Bonds through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Bonds from gross income for federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the Owner's federal income tax once the required information is furnished to the Internal Revenue Service.

RATINGS

Moody's Investors Service, Inc. ("Moody's") and S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), have assigned their municipal bond ratings of rating of "___" and "___," respectively, to the Bonds.

Each rating reflects only the views of the respective rating organization and any desired explanation of the significance of such rating should be obtained from the rating agency furnishing the same, at the following address: Moody's Investors Service, Inc., 7 World Trade Center at 250 Greenwich Street, New York, New York 10007, telephone: (212) 533-0300; and S&P Global Ratings at Municipal Finance, 55 Water Street, New York, New York 10041, telephone: (212) 208-8000. Generally, rating agencies base their ratings on information and materials furnished to them (which may include information and material from the District which is not included in this Official Statement) and on investigations, studies and assumptions by the rating agencies. There is no assurance such ratings will continue for any given period of time or that a rating will not be revised downward or withdrawn entirely by the applicable rating agency, 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 for the Bonds.

The District has covenanted in a Continuing Disclosure Certificate to file notices of any rating changes on the Bonds. See the caption "LEGAL MATTERS – Continuing Disclosure" above and "APPENDIX D – FORM OF CONTINUING DISCLOSURE CERTIFICATE." Notwithstanding such covenant, information relating to ratings changes on the Bonds may be publicly available from Moody's and S&P prior to such information being provided to the District and prior to the date the District is obligated to file a notice of rating change pursuant to the Rule. Purchasers of the Bonds are directed to Moody's and S&P, their respective websites and official media outlets for the most current ratings changes with respect to the Bonds after the initial issuance thereof.

MUNICIPAL ADVISOR

The District has retained Fieldman Rolapp & Associates, Inc., as Municipal Advisor (the "Municipal Advisor") in connection with the issuance of the Bonds and certain other financial matters. The Municipal Advisor is a financial advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other negotiable instruments. The Municipal Advisor has not audited, authenticated or otherwise verified the information set forth in the Official Statement, or any other related information available to the District, with respect to the accuracy and completeness of disclosure of such information, and no guaranty, warranty or other representation is made by the Municipal Advisor respecting the accuracy and completeness of this Official Statement or any other matter related to this Official Statement.

UNDERWRITING

The Bonds are being purchased by Piper Sandler & Co. (the "Underwriter"). The Underwriter has agreed to purchase the Refunding Bonds at a price of \$_____, which is equal to the principal amount of the Bonds of \$_____, plus original issue premium of \$_____, less the Underwriter's discount of \$_____. The Underwriter has agreed to purchase the Series E Bonds at a price of \$_____, which is equal to the principal amount of the Bonds of \$_____, plus original issue premium of \$_____, less the Underwriter's discount of \$_____.

The Bond Purchase Agreement for the Refunding Bonds provides that the Underwriter will purchase all of the Bonds if any are purchased, the obligation to make such purchase being subject to certain terms and conditions set forth in said agreement, the approval of certain legal matters by counsel and certain other conditions. The Bond Purchase Agreement for the Series E Bonds provides that the Underwriter will purchase all of the Bonds if any are purchased, the obligation to make such purchase

being subject to certain terms and conditions set forth in said agreement, the approval of certain legal matters by counsel and certain other conditions.

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

[In connection with the solicitation of bids for certain of the Escrow Securities to be purchased with amounts deposited under the Escrow Agreement, Piper Sandler & Co., may submit bids to the bidding agent and provide such investments to the Escrow Agent, and may earn a reasonable and customary spread for performing this service.]

ADDITIONAL INFORMATION

Quotations from and summaries and explanations of the Bonds, the resolutions providing for issuance of the Bonds, and the constitutional provisions, statutes and other documents referenced herein, do not purport to be complete, and reference is made to said documents, constitutional provisions and statutes for full and complete statements of their provisions.

Some of the data contained herein has been taken or constructed from the District records. Appropriate District officials, acting in their official capacities, have reviewed this Official Statement and have determined that, as of the date hereof, the information contained herein is, to the best of their knowledge and belief, true and correct in all material respects and does not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made herein, in light of the circumstances under which they were made, not misleading. This Official Statement has been approved by the District’s Board of Trustees.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended only 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, beneficial or otherwise, of any of the Bonds.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

By _____
Tina M. Douglas
Associate Superintendent, Business Services

APPENDIX A

**DISTRICT FINANCIAL AND OPERATING INFORMATION AND
REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION**

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APPENDIX A**DISTRICT FINANCIAL AND OPERATING INFORMATION AND
REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION**

This Appendix A provides information concerning the operations and finances of the San Dieguito Union High School District (the “District”) and certain economic and demographic information regarding the area covered by the District. The Bonds are general obligation bonds of the District, secured and payable from ad valorem property taxes assessed on taxable properties within the District and are not an obligation of the County or of the general fund of the District. See “THE BONDS – Security and Sources of Payment” in the forepart of this Official Statement.

DISTRICT GENERAL INFORMATION**General**

The District consists of approximately 85 square miles of territory in the northern portion of San Diego County (the “County”), California (the “State”). The District educates students from five feeder elementary school districts: Encinitas, Cardiff, Solana Beach, Del Mar and Rancho Santa Fe. The District operates five comprehensive middle schools for grades seven through eight, and four comprehensive high schools for grades nine through twelve. The District also offers a continuation high school with an alternative education program for grades nine through twelve. Enrollment in the District for grades seven through twelve was 13,177 students in the 2019-20 school year and is 13,001 students in the 2020-21 school year.

Unless otherwise indicated, the following financial, statistical and demographic data has been provided by the District. Additional information concerning the District and copies of the most recent and subsequent audited financial reports of the District may be obtained by contacting: San Dieguito Union High School District, 710 Encinitas Boulevard, Encinitas, California 92024, Attention: Superintendent. The District may impose a charge for copying, mailing and handling.

Administration

The governing board of the District (the “Board”) consists of five elected members. Members are elected to serve staggered four-year terms. Elections for positions to the Board are held every two years, alternating between two and three available positions. A president is elected by members of the Board each year. Current members of the Board, together with their offices and the dates their current terms expire, are listed below.

BOARD OF TRUSTEES
San Dieguito Union High School District⁽¹⁾

<u>Name</u>	<u>Office</u>	<u>Current Term Expires</u>
Maureen “Mo” Muir	President	December 2022
Melisse Mossy	Vice President	December 2022
Katrina Young	Clerk	December 2024
Michael Allman	Trustee	December 2024

⁽¹⁾ There is currently one vacancy on the District’s Board of Trustees.

The District's day-to-day operations are managed by a board-appointed Superintendent of Schools (the "Superintendent"). The management and policies of the District are administered by the Superintendent and a staff which provides business, pupil, personnel, administrative personnel, and instruction support services. The current Superintendent, Robert A. Haley, Ed.D., has served in that capacity since November 1, 2018.

Funding

Funding for the District is based on the Local Control Funding Formula (as further described herein, the "LCFF"). See "DISTRICT FINANCIAL INFORMATION – State Funding of Education – Local Control Funding Formula" herein. The District has, in the past, been classified as a "basic aid" district, because local property taxes collected and inuring to the District exceeded the amounts that would have been funded under the LCFF and otherwise provided by the State. The District became a basic aid district in Fiscal Year 2008-09, following state funding cuts to the then-applicable revenue limit formulation for school funding and remained a basic aid district until Fiscal Year 2014-15. Although the District has not been a basic aid district in recent years, the District continues to have an extraordinarily strong tax base.

Depending on the rate of growth in local property tax revenue, the District could transition back to a basic aid district. State aid is based primarily on average daily attendance and other appropriations. Under the current State funding formulas, if local taxes do not provide money equal to the funded LCFF, the State will make up the difference through State funding. See "DISTRICT FINANCIAL INFORMATION – State Funding of Education – Basic Aid Districts."

Enrollment Trends

The following table shows the enrollment history for the District.

ANNUAL ENROLLMENT
Fiscal Years 2011-12 Through 2020-21
San Dieguito Union High School District

Year	Enrollment	Annual Change	Annual % Change
2011-12	12,485	--	--
2012-13	12,365	-120	-1.0%
2013-14	12,497	132	1.1
2014-15	12,645	148	1.2
2015-16	12,726	81	0.6
2016-17	12,951	225	1.8
2017-18	13,063	112	0.9
2018-19	13,128	65	0.5
2019-20	13,177	49	0.4
2020-21	13,001	-176	-1.35

Source: The District.

Labor Relations

As of January 1, 2021, the District employed 603 full-time equivalent (“FTE”) certificated employees and 353 FTE classified employees. These employees, except management, confidential and other non-represented employees are represented by two bargaining units as noted below:

LABOR BARGAINING UNITS San Dieguito Union High School District

<u>Labor Organization</u>	<u>Number of Employees In Organization</u>	<u>Contract Expiration Date</u>
San Dieguito Faculty Association	624	June 30, 2021
California School Employees Association	388	June 30, 2021

Source: The District.

State Retirement Systems

The information set forth below regarding the District’s retirement programs, other than the information provided by the District regarding its annual contributions thereto, has been obtained from publicly available sources which are believed to be reliable but are not guaranteed as to accuracy or completeness, and should not to be construed as a representation by none of the District, the Municipal Advisor, or the Underwriter.

STRS. All full-time certificated employees, as well as certain classified employees, are members of the State Teachers’ Retirement System (“STRS”). STRS provides retirement, disability and survivor benefits to plan members and beneficiaries under a defined benefit program (the “STRS Defined Benefit Program”). The STRS Defined Benefit Program is funded through a combination of investment earnings and statutorily set contributions from three sources: employees, employers, and the State. Benefit provisions and contribution amounts are established by State statutes, as legislatively amended from time to time.

Prior to fiscal year 2014-15, and unlike typical defined benefit programs, none of the employee, employer or State contribution rates to the STRS Defined Benefit Program varied annually to make up funding shortfalls or assess credits for actuarial surpluses. In recent years, the combined employer, employee and State contributions to the STRS Defined Benefit Program have not been sufficient to pay actuarially required amounts. As a result, and due to significant investment losses, the unfunded actuarial liability of the STRS Defined Benefit Program has increased significantly in recent fiscal years. In September 2013, STRS projected that the STRS Defined Benefit Program would be depleted in 31 years assuming existing contribution rates continued, and other significant actuarial assumptions were realized. In an effort to reduce the unfunded actuarial liability of the STRS Defined Benefit Program, the State passed the legislation described below to increase contribution rates.

Prior to July 1, 2014, school districts and community college districts (collectively, “K-14 school districts”) were required by such statutes to contribute 8.25% of eligible salary expenditures, while participants contributed 8% of their respective salaries. On June 24, 2014, the Governor signed AB 1469 (“AB 1469”) into law as a part of the State’s fiscal year 2014-15 budget. AB 1469 seeks to fully fund the unfunded actuarial obligation with respect to service credited to members of the STRS Defined Benefit Program before July 1, 2014 (the “2014 Liability”), within 32 years, by increasing member, K-14 school district and State contributions to STRS. Commencing July 1, 2014, the employee contribution rate increased over a three-year phase-in period in accordance with the following schedule:

**MEMBER CONTRIBUTION RATES
STRS Defined Benefit Program**

<u>Effective Date</u>	<u>STRS Members Hired Prior to January 1, 2013</u>	<u>STRS Members Hired After January 1, 2013</u>
July 1, 2014	8.150%	8.150%
July 1, 2015	9.200	8.560
July 1, 2016	10.250	9.205

Source: AB 1469.

Pursuant to the Reform Act (defined below), the contribution rates for members hired after the Implementation Date (defined below) will be adjusted if the normal cost increases by more than 1% since the last time the member contribution was set. The contribution rate for employees hired after the Implementation Date (defined below) increased from 9.205% of creditable compensation for fiscal year commencing July 1, 2017 to 10.205% of creditable compensation effective July 1, 2018. For fiscal year commencing July 1, 2019, the contribution rate was 10.250% for employees hired before the Implementation Date and 10.205% for employees hired after the Implementation Date. For fiscal year commencing July 1, 2020, the contribution rate is 10.250% for employees hired before the Implementation Date and 10.205% for employees hired after the Implementation Date.

Pursuant to AB 1469, K-14 school districts' contribution rate increased over a seven-year phase-in period in accordance with the following schedule:

**K-14 SCHOOL DISTRICT CONTRIBUTION RATES
STRS Defined Benefit Program**

<u>Effective Date</u>	<u>K-14 school districts</u>
July 1, 2014	8.88%
July 1, 2015	10.73
July 1, 2016	12.58
July 1, 2017	14.43
July 1, 2018	16.28
July 1, 2019	18.13
July 1, 2020	19.10

Source: AB 1469.

Based upon the recommendation from its actuary, for fiscal year 2021-22 and each fiscal year thereafter, the STRS Teachers' Retirement Board (the "STRS Board") is required to increase or decrease the K-14 school districts' contribution rate to reflect the contribution required to eliminate the remaining 2014 Liability by June 30, 2046; provided that the rate cannot change in any fiscal year by more than 1% of creditable compensation upon which members' contributions to the STRS Defined Benefit Program are based; and provided further that such contribution rate cannot exceed a maximum of 20.25%. In addition to the increased contribution rates discussed above, AB 1469 also requires the STRS Board to report to the State legislature (the "Legislature") every five years (commencing with a report due on or before July 1, 2019) on the fiscal health of the STRS Defined Benefit Program and the unfunded actuarial obligation with respect to service credited to members of that program before July 1, 2014. The reports are also required to identify adjustments required in contribution rates for K-14 school districts and the State in order to eliminate the 2014 Liability.

On June 27, 2019, the Governor signed SB 90 ("SB 90") into law as a part of the 2019-20 Budget. Pursuant to SB 90, the Legislature appropriated \$2.246 billion to be transferred to the Teacher's Retirement

Fund for the STRS Defined Benefit Program to pay in advance, on behalf of employers, part of the contributions required for fiscal years 2019-20 and 2020-21, resulting in K-14 school districts having to contribute 1.03% less in fiscal year 2019-20 and 0.70% less in fiscal year 2020-21, resulting in employer contribution rates of 17.1% in fiscal year 2019-20 and 18.4% in fiscal year 2020-21. In addition, the State made a contribution of \$1.117 billion to be allocated to reduce the employer's share of the unfunded actuarial obligation determined by the STRS Board upon recommendation from its actuary. This additional payment was reflected in the June 30, 2020 actuarial valuation. Subsequently, the State's 2020-21 Budget redirected \$2.3 billion previously appropriated to STRS and PERS pursuant to SB 90 for long-term unfunded liabilities to further reduce the employer contribution rates in fiscal year 2020-21 and 2021-22. As a result, the effective employer contribution rate is 16.15% in fiscal year 2020-21 and is projected to be 16.02% in fiscal year 2021-22. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING SCHOOL DISTRICT REVENUES AND APPROPRIATIONS – State Budget Measures – 2020-21 State Budget" herein.

The District's contributions to STRS were \$8,607,389 in fiscal year 2017-18, \$9,818,820 in fiscal year 2018-19 and \$11,375,921 in fiscal year 2019-20. The District has budgeted \$11,938,697 for its contribution to STRS in fiscal year 2020-21. For more information, see Note N to the audited financial statements of the District for the year ended June 30, 2020, attached hereto as Appendix B.

The State also contributes to STRS, currently in an amount equal to 8.328% for fiscal year 2020-21. The State's contribution reflects a base contribution rate of 2.017%, and a supplemental contribution rate that will vary from year to year based on statutory criteria. Based upon the recommendation from its actuary, for fiscal year 2017-18 and each fiscal year thereafter, the STRS Board is required, with certain limitations, to increase or decrease the State's contribution rates to reflect the contribution required to eliminate the unfunded actuarial accrued liability attributed to benefits in effect before July 1, 1990. The STRS Board approved State supplemental contribution rate for fiscal year 2020-21 reflects an increase of 0.5% of payroll, the maximum allowed under current law.

In addition, the State is currently required to make an annual general fund contribution up to 2.5% of the fiscal year covered STRS member payroll to the Supplemental Benefit Protection Account (the "SBPA"), which was established by statute to provide supplemental payments to beneficiaries whose purchasing power has fallen below 85% of the purchasing power of their initial allowance.

PERS. Classified employees working four or more hours per day are members of the Public Employees' Retirement System ("PERS"). PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the State statutes, as legislatively amended from time to time. PERS operates a number of retirement plans including the Public Employees Retirement Fund ("PERF"). PERF is a multiple-employer defined benefit retirement plan. In addition to the State, employer participants on June 30, 2019 included 1,612 public agencies and 1,319 K-14 school districts and charter schools. PERS acts as the common investment and administrative agent for the member agencies. The State and K-14 school districts (for "classified employees," which generally consist of school employees other than teachers) are required by law to participate in PERF. Employees participating in PERF generally become fully vested in their retirement benefits earned to date after five years of credited service. One of the plans operated by PERS is for K-14 school districts throughout the State (the "Schools Pool").

Contributions by employers to the Schools Pool are based upon an actuarial rate determined annually and contributions by plan members vary based upon their date of hire. The actuarial determined employer contribution rate for fiscal year 2020-21 is 20.7%, which reflects the redirection of funds by the State's 2020-21 Budget, that were previously appropriated pursuant to SB 90 for long-term unfunded liabilities (discussed above). The State's 2020-21 Budget projects an employer contribution rate of 22.84%

in fiscal year 2021-22. See “DISTRICT FINANCIAL INFORMATION – General Fund Budgets” herein. Participants enrolled in PERS prior to January 1, 2013 contribute at a rate established by statute, which is 7% of their respective salaries in fiscal year 2019-20 and will be 7% of such salaries in fiscal year 2020-21, while participants enrolled after January 1, 2013 contribute at an actuarially determined rate, which is 7% in fiscal year 2019-20 and will be 7% in fiscal year 2020-21. See “– California Public Employees’ Pension Reform Act of 2013” herein.

Pursuant to SB 90, the Legislature appropriated \$144 million for fiscal year 2019-20 and \$100 million for fiscal year 2020-21 to be transferred to the Public Employees’ Retirement Fund, to pay in advance, on behalf of K-14 school district employers, part of the contributions required for K-14 school district employers for such fiscal years. In addition, the Legislature appropriated \$660 million to be applied toward certain unfunded liabilities for K-14 school district employers. As a result of the payments made by the State pursuant to SB 90, the employer contribution rate for fiscal year 2019-20 was 19.721%. See “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING SCHOOL DISTRICT REVENUES AND APPROPRIATIONS – State Budget Measures – 2020-21 State Budget” herein.

The District’s contributions to PERS was \$2,785,417 in fiscal year 2017-18, \$3,099,948 in fiscal year 2018-19, and \$3,584,146 in fiscal year 2019-20. The District has budgeted \$4,163,240 for its contribution to PERS for fiscal year 2020-21. For more information, see Note N to the audited financial statements of the District for the year ended June 30, 2020, attached hereto as Appendix B.

State Pension Trusts. Each of STRS and PERS issues a separate comprehensive financial report that includes financial statements and required supplemental information. Copies of such financial reports may be obtained from each of STRS and PERS as follows: (i) STRS, P.O. Box 15275, Sacramento, California 95851-0275; (ii) PERS, P.O. Box 942703, Sacramento, California 94229-2703. Moreover, each of STRS and PERS maintains a website, as follows: (i) STRS: www.calstrs.com; (ii) PERS: www.calpers.ca.gov. However, the information presented in such financial reports or on such websites is not incorporated into this Official Statement by any reference.

Both STRS and PERS have substantial statewide unfunded liabilities. The amount of these unfunded liabilities will vary depending on actuarial assumptions, returns on investments, salary scales and participant contributions. The table on the following page summarizes information regarding the actuarially-determined accrued liability for both STRS and PERS. Actuarial assessments are “forward-looking” information that reflect the judgment of the fiduciaries of the pension plans, and are based upon a variety of assumptions, one or more of which may not materialize or be changed in the future. Actuarial assessments will change with the future experience of the pension plans.

FUNDED STATUS
STRS (Defined Benefit Program) and PERS (Schools Pool)
(Dollar Amounts in Millions)⁽¹⁾
Fiscal Years 2010-11 through 2018-19

<u>STRS</u>					
<u>Fiscal Year</u>	<u>Accrued Liability</u>	<u>Value of Trust Assets (MVA)⁽²⁾</u>	<u>Unfunded Liability (MVA)⁽²⁾</u>	<u>Value of Trust Assets (AVA)⁽³⁾</u>	<u>Unfunded Liability (AVA)⁽³⁾</u>
2010-11	\$208,405	\$147,140	\$68,365	\$143,930	\$64,475
2011-12	215,189	143,118	80,354	144,232	70,957
2012-13	222,281	157,176	74,374	148,614	73,667
2013-14	231,213	179,749	61,807	158,495	72,718
2014-15	241,753	180,633	72,626	165,553	76,200
2015-16	266,704	177,914	101,586	169,976	96,728
2016-17	286,950	197,718	103,468	179,689	107,261
2017-18	297,603	211,367	101,992	190,451	107,152
2018-19	310,719	225,466	102,636	205,016	105,703

<u>PERS</u>					
<u>Fiscal Year</u>	<u>Accrued Liability</u>	<u>Value of Trust Assets (MVA)</u>	<u>Unfunded Liability (MVA)</u>	<u>Value of Trust Assets (AVA)⁽³⁾</u>	<u>Unfunded Liability (AVA)⁽³⁾</u>
2010-11	\$58,358	\$45,901	\$12,457	\$51,547	\$6,811
2011-12	59,439	44,854	14,585	53,791	5,648
2012-13	61,487	49,482	12,005	56,250	5,237
2013-14	65,600	56,838	8,761	-- ⁽⁴⁾	-- ⁽⁴⁾
2014-15	73,325	56,814	16,511	-- ⁽⁴⁾	-- ⁽⁴⁾
2015-16	77,544	55,785	21,759	-- ⁽⁴⁾	-- ⁽⁴⁾
2016-17	84,416	60,865	23,551	-- ⁽⁴⁾	-- ⁽⁴⁾
2017-18	92,071	64,846	27,225	-- ⁽⁴⁾	-- ⁽⁴⁾
2018-19	99,528	68,177	31,351	-- ⁽⁴⁾	-- ⁽⁴⁾

⁽¹⁾ Amounts may not add due to rounding.

⁽²⁾ Reflects market value of assets, including the assets allocated to the SBPA reserve. Since the benefits provided through the SBPA are not a part of the projected benefits included in the actuarial valuations summarized above, the SBPA reserve is subtracted from the STRS Defined Benefit Program assets to arrive at the value of assets available to support benefits included in the respective actuarial valuations.

⁽³⁾ Reflects actuarial value of assets.

⁽⁴⁾ Effective for the June 30, 2014 actuarial valuation, PERS no longer uses an actuarial value of assets.

Source: PERS Schools Pool Actuarial Valuation; STRS Defined Benefit Program Actuarial Valuation.

The STRS Board has sole authority to determine the actuarial assumptions and methods used for the valuation of the STRS Defined Benefit Program. Based on the multi-year CalSTRS Experience Analysis (spanning from July 1, 2010, through June 30, 2015) (the “2017 Experience Analysis”), on February 1, 2017, the STRS Board adopted a new set of actuarial assumptions that reflect member’s increasing life expectancies and current economic trends. These new assumptions were first reflected in the STRS Defined Benefit Program Actuarial Valuation, as of June 30, 2016 (the “2016 STRS Actuarial Valuation”). The new actuarial assumptions include, but are not limited to: (i) adopting a generational mortality methodology to reflect past improvements in life expectancies and provide a more dynamic assessment of future life spans, (ii) decreasing the investment rate of return (net of investment and administrative expenses) to 7.25% for the 2016 STRS Actuarial Valuation and 7.00% for the June 30, 2017 actuarial evaluation (the “2017 STRS Actuarial Valuation”), and (iii) decreasing the projected wage growth to 3.50% and the projected inflation rate to 2.75%.

Based on the multi-year CalSTRS Experience Analysis (spanning from July 1, 2015, through June 30, 2018) (the “2020 Experience Analysis”), on January 31, 2020, the STRS Board adopted a new set of actuarial assumptions that were first reflected in the STRS Defined Benefit Program Actuarial Valuation, as of June 30, 2019 (the “2019 STRS Actuarial Valuation”). While no changes were made to the actuarial assumptions discussed above, which were established as a result of the 2017 Experience Analysis, certain demographic changes were made, including: (i) lowering the termination rates to reflect a continued trend of lower than expected teachers leaving their employment prior to retirement, and (ii) adopting changes to the retirement rates for both employees hired before the Implementation Date and after the Implementation Date to better reflect the anticipated impact of years of service on retirements. The 2019 STRS Actuarial Valuation continues using the Entry Age Normal Actuarial Cost Method.

Based on salary increases less than assumed, additional State contributions, and actuarial asset gains recognized from the current and prior years, the 2019 STRS Actuarial Valuation reports that the unfunded actuarial obligation decreased by \$1.5 billion since the 2018 STRS Actuarial Valuation and the funded ratio increased by 2.0% to 66.0% over such time period.

According to the 2019 STRS Actuarial Valuation, the future revenues from contributions and appropriations for the STRS Defined Benefit Program are projected to be approximately sufficient to finance its obligations with a projected ending funded ratio in fiscal year ending June 30, 2046 of 99.9%, except for a small portion of the unfunded actuarial obligation related to service accrued on or after July 1, 2014 for member benefits adopted after 1990, for which AB 1469 provides no authority to the STRS Board to adjust rates to pay down that portion of the unfunded actuarial obligation. This finding reflects the scheduled contribution rate increases directed by statute, assumes additional increases in the scheduled contribution rates allowed under the current law will be made, and is based on the valuation assumptions and valuation policy adopted by the STRS Board, including a 7.00% investment rate of return assumption and includes the \$1.117 billion State contribution made in July 2019 pursuant to SB 90.

The actuary for the STRS Defined Benefit Program notes in the 2019 STRS Actuarial Report that, since such report is dated as of June 30, 2019, the significant declines in the investment markets that have occurred in the first half the 2020 calendar year are not directly reflected in the 2019 STRS Actuarial Report. The actuary notes that such declines will almost certainly impact the future of the STRS Defined Benefit Program funding, and that, all things being equal, it is expected that the actuarial valuation for the fiscal year ending June 30, 2020 will show a greater increase in the projected State contribution rate (and possibly the employer rate) and a possible decline in the funded ratio. See “DISTRICT FINANCIAL INFORMATION – Considerations Regarding COVID-19” herein.

In recent years, the PERS Board of Administration (the “PERS Board”) has taken several steps, as described below, intended to reduce the amount of the unfunded accrued actuarial liability of its plans, including the Schools Pool.

On March 14, 2012, the PERS Board voted to lower the PERS’ rate of expected price inflation and its investment rate of return (net of administrative expenses) (the “PERS Discount Rate”) from 7.75% to 7.5%. On February 18, 2014, the PERS Board voted to keep the PERS Discount Rate unchanged at 7.5%. On November 17, 2015, the PERS Board approved a new funding risk mitigation policy to incrementally lower the PERS Discount Rate by establishing a mechanism whereby such rate is reduced by a minimum of 0.05% to a maximum of 0.25% in years when investment returns outperform the existing PERS Discount Rate by at least four percentage points. On December 21, 2016, the PERS Board voted to lower the PERS Discount Rate to 7.0% over a three year phase-in period in accordance with the following schedule: 7.375% for the June 30, 2017 actuarial valuation, 7.25% for the June 30, 2018 actuarial valuation and 7.00% for the June 30, 2019 actuarial valuation. The new discount rate went into effect July 1, 2017 for the State and July 1, 2018 for K-14 school districts and other public agencies. Lowering the PERS Discount Rate means

employers that contract with PERS to administer their pension plans will see increases in their normal costs and unfunded actuarial liabilities. Active members hired after January 1, 2013, under the Reform Act (defined below) will also see their contribution rates rise.

On April 17, 2013, the PERS Board approved new actuarial policies aimed at returning PERS to fully-funded status within 30 years. The policies include a rate smoothing method with a 30-year fixed amortization period for gains and losses, a five-year increase of public agency contribution rates, including the contribution rate at the onset of such amortization period, and a five year reduction of public agency contribution rates at the end of such amortization period. The new actuarial policies were first included in the June 30, 2014 actuarial valuation and were implemented with respect to the State, K-14 school districts and all other public agencies in fiscal year 2015-16.

Also, on February 20, 2014, the PERS Board approved new demographic assumptions reflecting (i) expected longer life spans of public agency employees and related increases in costs for the PERS system and (ii) trends of higher rates of retirement for certain public agency employee classes, including police officers and firefighters. The new actuarial assumptions were first reflected in the Schools Pool in the June 30, 2015 actuarial valuation. The increase in liability due to the new assumptions will be amortized over 20 years with increases phased in over five years, beginning with the contribution requirement for fiscal year 2016-17. The new demographic assumptions affect the State, K-14 school districts and all other public agencies.

The PERS Board is required to undertake an experience study every four years under its Actuarial Assumptions Policy and State law. As a result of the most recent experience study, on December 20, 2017, the PERS Board approved new actuarial assumptions, including (i) lowering the inflation rate to 2.625% for the June 30, 2018 actuarial valuation and to 2.50% for the June 30, 2019 actuarial valuation, (ii) lowering the payroll growth rate to 2.875% for the June 30, 2018 actuarial valuation and 2.75% for the June 30, 2019 actuarial valuation, and (iii) certain changes to demographic assumptions relating to the salary scale for most constituent groups, and modifications to the mortality, retirement, and disability retirement rates.

On February 14, 2018, the PERS Board approved a new actuarial amortization policy with an effective date for actuarial valuations beginning on or after June 30, 2019, which includes (i) shortening the period over which actuarial gains and losses are amortized from 30 years to 20 years, (ii) requiring that amortization payments for all unfunded accrued liability bases established after the effective date be computed to remain a level dollar amount throughout the amortization period, (iii) removing the 5-year ramp-up and ramp-down on unfunded accrued liability bases attributable to assumptions changes and non-investment gains/losses established on or after the effective date and (iv) removing the 5-year ramp-down on investment gains/losses established after the effective date. While PERS expects that reducing the amortization period for certain sources of unfunded liability will increase future average funding ratios, provide faster recovery of funded status following market downturns, decrease expected cumulative contributions, and mitigate concerns over intergenerational equity, such changes may result in increases in future employer contribution rates.

On April 21, 2020, the PERS Board established the employer contribution rates for fiscal year 2020-21 and released certain information from the Schools Pool Actuarial Valuation as of June 30, 2019, ahead of its release date in the latter half of 2020. From June 30, 2018 to June 30, 2019 the funded status for the Schools Pool decreased by 1.9% (from 70.4% to 68.5%); mainly due to the reduction in the discount rate from 7.25% to 7.00% and investment return in 2018-19 being lower than expected. The funded status as of June 30, 2019 does not reflect the State's additional payment of \$660 million that was made pursuant to SB 90, since PERS received the payment in July 2019. PERS attributes the decline in the funded status over the last five years to recent investment losses in excess of investment gains, adoption of new assumptions, both demographic and economic, lowering of the discount rate, and negative amortization.

Assuming all actuarial assumptions are realized, including investment return of 7% in fiscal year 2019-20, that no changes to assumptions, methods of benefits will occur during the projection period, along with the expected reductions in normal cost due to the continuing transition of active members from those employees hired prior to the Implementation Date (defined below), to those hired after such date, the contribution rate was projected to increase annually, resulting in a projected 26.2% employer contribution rate for fiscal year 2026-27. As of the April 21, 2020, PERS reported that the year to date return for the 2019-20 fiscal year was well below the 7% assumed return.

The District can make no representations regarding the future program liabilities of STRS, or whether the District will be required to make additional contributions to STRS in the future above those amounts required under AB 1469. The District can also provide no assurances that the District's required contributions to PERS will not increase in the future.

California Public Employees' Pension Reform Act of 2013. On September 12, 2012, the Governor signed into law the California Public Employees' Pension Reform Act of 2013 (the "Reform Act"), which makes changes to both STRS and PERS, most substantially affecting new employees hired after January 1, 2013 (the "Implementation Date"). For STRS participants hired after the Implementation Date, the Reform Act changes the normal retirement age by increasing the eligibility for the 2% age factor (the age factor is the percent of final compensation to which an employee is entitled 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. Similarly, for non-safety PERS participants hired after the Implementation Date, the Reform Act changes the normal retirement age by increasing the eligibility for the 2% age factor from age 55 to 62 and increases the eligibility requirement for the maximum age factor of 2.5% to age 67. Among the other changes to PERS and STRS, the Reform Act also: (i) requires all new participants enrolled in PERS and STRS after the Implementation Date to contribute at least 50% of the total annual normal cost of their pension benefit each year as determined by an actuary, (ii) requires STRS and PERS 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 (previously 12 months for STRS members who retire with 25 years of service), and (iii) caps "pensionable compensation" for new participants enrolled after the Implementation Date at 100% of the federal Social Security contribution (to be adjusted annually based on changes to the Consumer Price Index for all Urban Consumers) and benefit base for members participating in Social Security or 120% for members not participating in social security (to be adjusted annually based on changes to the Consumer Price Index for all Urban Consumers), while excluding previously allowed forms of compensation under the formula such as payments for unused vacation, annual leave, personal leave, sick leave, or compensatory time off.

GASB Statement Nos. 67 and 68. On June 25, 2012, GASB approved Statements Nos. 67 and 68 ("Statements") with respect to pension accounting and financial reporting standards for state and local governments and pension plans. The new Statements, No. 67 and No. 68, replace GASB Statement No. 27 and most of Statements No. 25 and No. 50. The changes impact the accounting treatment of pension plans in which state and local governments participate. Major changes include: (1) the inclusion of unfunded pension liabilities on the government's balance sheet (currently, such unfunded liabilities are typically included as notes to the government's financial statements); (2) more components of full pension costs being shown as expenses regardless of actual contribution levels; (3) lower actuarial discount rates being required to be used for underfunded plans in certain cases for purposes of the financial statements; (4) closed amortization periods for unfunded liabilities being required to be used for certain purposes of the financial statements; and (5) the difference between expected and actual investment returns being recognized over a closed five-year smoothing period. In addition, according to GASB, Statement No. 68 means that, for pensions within the scope of the Statement, a cost-sharing employer that does not have a special funding situation is required to recognize a net pension liability, deferred outflows of resources,

deferred inflows of resources related to pensions and pension expense based on its proportionate share of the net pension liability for benefits provided through the pension plan. Because the accounting standards do not require changes in funding policies, the full extent of the effect of the new standards on the District is not known at this time. The reporting requirements for pension plans took effect for the fiscal year beginning July 1, 2013 and the reporting requirements for government employers, including the District, took effect for the fiscal year beginning July 1, 2014.

District Net Pension Liabilities. The District's net pension liability for each of STRS and PERS is measured as the proportionate share of the net pension liability. As of June 30, 2020, the District reported net pension liabilities for its proportionate shares of the net pension liability of each plan as follows:

<u>Pension Plan</u>	<u>Proportionate Share of Net Pension Liability</u>
STRS	\$116,366,979
PERS	<u>\$41,047,346</u>
Total Net Pension Liability	\$157,414,325

For more information, see Note N to the Audited Financial Statements of the District for the Fiscal Year Ended June 30, 2020, attached hereto as Appendix B.

Post-Employment Benefits

In addition to the pension benefits described above, the District administers a single-employer healthcare plan (the "OPEB Plan") that provides medical benefits to eligible retirees and their eligible dependents to age 65. To be eligible, a retiree must retire from the District with at least 10 years of eligible service. The District's contribution for medical coverage is 100% of the cost for retiree-only medical coverage, up to a maximum based on the highest employee-only medical premium in effect in the year of retirement. The retiree is responsible for any cost above the maximum or for cost associated with the election of dependent medical coverage and/or dental coverage. As of June 30, 2020, the OPEB Plan membership consisted of approximately 1,015 eligible active employees and 75 eligible retirees.

For the year ended June 30, 2020 the District recognized OPEB expense of \$3,288,568. As of June 30, 2020, the District's total liability with respect to the OPEB Plan was \$32,695,587. For additional information, see Note O to the Audited Financial Statements of the District for the Fiscal Year Ended June 30, 2020, attached hereto as Appendix B.

Joint Powers Arrangements

Self Insurance. The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is self-insured through the San Diego County Schools and Imperial County Schools Risk Management Joint Powers Authority ("SDCSR"), a joint powers authority that provides workers' compensation insurance, general liability, property, automobile and other miscellaneous coverage. Under this program SDCSR provides coverage through a Workers' Compensation Fund. The District receives user charges based upon each member's respective covered payroll. Coverage is provided for workers compensation with \$100,000 per occurrence being self-funded. Costs above the first \$100,000 are covered by an excess insurance policy of up to statutory limits. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The District receives property/casualty loss and general liability insurance coverage through SDCSR. A \$5,000,000 insurance policy is in effect with a deductible per occurrence of up to \$25,000 and a \$100,000 self-insured retention. The SDCSR pool covers losses in excess of the self-insured

retention up to \$500,000. The next \$4.5 million is covered by an excess insurance policy through a commercial carrier. The Schools Excess Liability Fund then provides an additional \$50,000,000 of coverage. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

Fringe Benefits. The District provides certain employee fringe benefits through participation in the San Diego County Schools Fringe Benefit Consortium (the “SDCSFBC”), a joint powers authority that offers dental, health and welfare, and vision benefits to its member school districts and charter schools. The District provides dental and vision benefits to certain employees through the SDCSFBC.

Joint Powers Authorities. The San Dieguito Public Facilities Authority (the “Public Facilities Authority”) was formed pursuant to a joint powers agreement dated October 22, 1998, between the District and Community Facilities District No. 94-1 of the District, and under the provisions of Articles 1 through 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the California Government Code (the “Act”).

The San Dieguito School Facilities Financing Authority (the “School Facilities Financing Authority”) was formed pursuant to a joint powers agreement dated September 15, 2016, between the District and the California Statewide Communities Development Authority, and under the provisions of the Act.

Each of the Public Facilities Authority and the School Facilities Financing Authority has served as the issuer of certain debt obligations related to the District. See “DISTRICT FINANCIAL INFORMATION – District Debt Structure” herein. Each of the Public Facilities Authority and the School Facilities Financing Authority is treated as a blended component unit of the District in its audited financial statements. See Note A to the Audited Financial Statements of the District for the Fiscal Year Ended June 30, 2020 attached as Appendix B hereto.

In addition to the Public Facilities Authority and the School Facilities Financing Authority, as noted above the District participates in SDCSRM and SDSCFBC. The relationship between the District and each of SDCSRM and SDSCFBC is such that neither joint powers authority is a component unit of the District for financial reporting purposes. Financial statements for each of SDCSRM and SDSCFBC are available from such respective entities.

SDCSRМ was created for the purpose of arranging for and providing various types of insurance for its member districts as requested. SDCSRМ is governed by a board consisting of a representative from each member district. The board of SDCSRМ controls the operations of SDCSRМ, including selection of arrangement and approval of operating budgets, independent of any influence by the member districts beyond their representation on the board. Each member district pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionate to their participation in SDCSRМ.

SDSCFBC was created for the purpose of arranging for and providing various types of fringe benefits to employees of its member districts and charter schools. SDSCFBC is governed by a board consisting of two representatives from each member. The board of SDSCFBC controls the operations of SDSCFBC, including selection of arrangement and approval of operating budgets, independent of any influence by the member districts beyond their representation on the board.

See Note Q to the Audited Financial Statements of the District for the Fiscal Year Ended June 30, 2020 attached as Appendix B hereto.

DISTRICT FINANCIAL INFORMATION

The information in this section concerning the District's general fund finances 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. The Bonds are payable from the proceeds of ad valorem taxes required to be levied by the County in an amount sufficient for the payment thereof. See "THE BONDS – Security and Sources of Payment" in the forepart of this Official Statement.

State Funding of Education

School district revenues consist primarily of guaranteed State moneys, local property taxes and funds received from the State in the form of categorical aid under ongoing programs of local assistance. All State aid is subject to the appropriation of funds in the State's annual budget.

Revenue Limit Funding. Previously, school districts operated under general purpose revenue limits established by the State Department of Education. In general, revenue limits were calculated for each school district by multiplying the average daily attendance ("ADA") for such district by a base revenue limit per unit of ADA. Revenue limit calculations were subject to adjustment in accordance with a number of factors designed to provide cost of living adjustments ("COLAs") and to equalize revenues among school districts of the same type. Funding of a school district's revenue limit was provided by a mix of local property taxes and State apportionments of basic and equalization aid. Beginning in fiscal year 2013-14, school districts have been funded based on uniform funding grants assigned to certain grade spans. See "– Local Control Funding Formula" herein.

Local Control Funding Formula. State Assembly Bill 97 (Stats. 2013, Chapter 47) ("AB 97"), as amended by Senate Bill 91 (Stats. 2013, Chapter 49) ("SB 91"), established the current system for funding school districts, charter schools and county offices of education.

The primary component of AB 97 was the implementation of the Local Control Funding Formula ("LCFF"), which replaced the revenue limit funding system for determining State apportionments, as well as the majority of categorical program funding. State allocations are now provided on the basis of target base funding grants per unit of ADA (a "Base Grant") assigned to each of four grade spans. Each Base Grant is subject to certain adjustments and add-ons, as discussed below. During the implementation period of the LCFF, an annual transition adjustment was calculated for each school district, equal to such district's proportionate share of appropriations included in the State budget to close the gap between the prior-year funding level and the target allocation following full implementation of the LCFF. In each year, school districts had the same proportion of their respective funding gaps closed, with dollar amounts varying depending on the size of a district's funding gap.

The Base Grants per unit of ADA for each grade span were originally as follows: (i) \$6,845 for grades K-3; (ii) \$6,947 for grades 4-6; (iii) \$7,154 for grades 7-8; and (iv) \$8,289 for grades 9-12. During the implementation period of the LCFF, Base Grants were required to be adjusted annually for COLAs by applying the implicit price deflator for government goods and services. The provision of COLAs is now subject to appropriation for such adjustment in the annual State budget. The differences among Base Grants are linked to differentials in statewide average revenue limit rates by district type, and are intended to recognize the generally higher costs of education at higher grade levels. See also "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING SCHOOL DISTRICT REVENUES AND APPROPRIATIONS – State Budget Measures" herein for the adjusted Base Grants provided by current State budgetary legislation.

The Base Grants for grades K-3 and 9-12 are subject to adjustments of 10.4% and 2.6%, respectively, to cover the costs of class size reduction in early grades and the provision of career technical education in high schools. Unless otherwise collectively bargained for, school districts serving students in grades K-3 must maintain an average class enrollment of 24 or fewer students in grades K-3 at each school site in order to continue receiving the adjustment to the K-3 Base Grant. Such school districts must also make progress towards this class size reduction goal in proportion to the growth in their funding over the implementation period. AB 97 also provides additional add-ons to school districts that received categorical block grant funding pursuant to the Targeted Instructional Improvement and Home-to-School Transportation programs during fiscal year 2012-13.

School districts that serve students of limited English proficiency (“EL” students), students from low income families that are eligible for free or reduced priced meals (“LI” students) and foster youth are eligible to receive additional funding grants. Enrollment counts are unduplicated, such that students may not be counted as both EL and LI (foster youth automatically meet the eligibility requirements for free or reduced priced meals). AB 97 authorizes a supplemental grant add-on (each, a “Supplemental Grant”) for school districts that serve EL/LI students, equal to 20% of the applicable Base Grant multiplied by such districts’ percentage of unduplicated EL/LI student enrollment. School districts whose EL/LI populations exceed 55% of their total enrollment are eligible for a concentration grant add-on (each, a “Concentration Grant”) equal to 50% of the applicable Base Grant multiplied by the percentage of such district’s unduplicated EL/LI student enrollment in excess of the 55% threshold.

The following table shows a breakdown of the District’s ADA by grade span, total enrollment, and the percentage of EL/LI student enrollment, for fiscal years 2012-13 through 2019-20.

ADA, ENROLLMENT AND EL/LI ENROLLMENT PERCENTAGE
Fiscal Years 2012-13 through 2020-21
San Dieguito Union High School District

Fiscal Year	Average Daily Attendance⁽¹⁾			Enrollment⁽²⁾	
	7-8	9-12	Total ADA	Total Enrollment	% of EL/LI Enrollment
2012-13	3,783	8,049	11,832	12,365	9.1%
2013-14	3,909	8,125	12,034	12,497	9.2
2014-15	3,935	8,183	12,119	12,645	9.0
2015-16	3,859	8,352	12,211	12,726	9.8
2016-17	3,935	8,466	12,401	12,951	9.8
2017-18	3,923	8,606	12,529	13,063	13.0
2018-19	4,050	8,565	12,615	13,128	13.3
2019-20	4,116	8,569	12,684	13,177	13.3
2020-21 ⁽³⁾⁽⁴⁾	4,116	8,569	12,684	13,001	13.3

(1) Except for fiscal year 2019-20, reflects ADA as of the second principal reporting period (P-2 ADA), ending on or before the last attendance month prior to April 15 of each school year. An attendance month is equal to each four-week period of instruction beginning with the first day of school for a particular school district.

(2) Reflects certified enrollment as of the fall census day (the first Wednesday in October), which is reported to the California Longitudinal Pupil Achievement Data System (“CALPADS”) in each school year and used to calculate each school district’s unduplicated EL/LI student enrollment. Adjustments may be made to the certified EL/LI counts by the California Department of Education. CALPADS figures exclude preschool and adult transitional students. For purposes of calculating Supplemental and Concentration Grants, a school district’s fiscal year 2013-14 percentage of unduplicated EL/LI students was expressed solely as a percentage of its total fiscal year 2013-14 total enrollment. For fiscal year 2014-15, the percentage of unduplicated EL/LI enrollment was based on the two-year average of EL/LI 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 is based on a rolling average of such district’s EL/LI enrollment for the then-current fiscal year and the two immediately preceding fiscal years.

(3) Projected, as of January 31, 2021.

(4) ADA for Fiscal Year 2020-21 reflects data for 2019-20 pursuant to the “hold harmless” ADA funding provision included as part of the State’s Fiscal Year 2020-21 budget. See “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING SCHOOL DISTRICT REVENUES AND APPROPRIATIONS – State Budget Measures – 2020-21 Budget.” The District’s actual ADA for Fiscal Year 2020-21 is projected to be _____ for grades 7-8 and _____ for grades 9-12 for a total of _____.

Source: *The District.*

For certain school districts that would have received greater funding levels under the prior revenue limit system, the LCFF provides for a permanent economic recovery target (“ERT”) add-on, equal to the difference between the revenue limit allocations such districts would have received under the prior system in fiscal year 2020-21, and the target LCFF allocations owed to such districts in the same year. To derive the projected funding levels, the LCFF assumes the discontinuance of deficit revenue limit funding, implementation of a 1.94% COLA in fiscal years 2014-15 through 2020-21, and restoration of categorical funding to pre-recession levels. The ERT add-on is paid incrementally over the LCFF implementation period.

The sum of a school district’s adjusted Base, Supplemental and Concentration Grants will be multiplied by such district’s P-2 ADA for the current or prior year, whichever is greater (with certain adjustments applicable to small school districts). This funding amount, together with any applicable ERT or categorical block grant add-ons, will yield a district’s total LCFF allocation. Generally, the amount of annual State apportionments received by a school district will amount to the difference between such total LCFF allocation and such district’s share of applicable local property taxes. Most school districts receive a significant portion of their funding from such State apportionments. As a result, decreases in State revenues may significantly affect appropriations made by the Legislature to such school districts.

Considerations Regarding COVID-19

An outbreak of disease or similar public health threat, such as the current coronavirus (“COVID-19”) outbreak, or fear of such an event, could have an adverse impact on the District’s financial condition and operating results.

The spread of COVID-19 is having significant negative impacts throughout the world, including in the District. The World Health Organization has declared the COVID-19 outbreak to be a pandemic, and states of emergency have been declared by the State and the United States. The purpose behind these declarations are to coordinate and formalize emergency actions and across federal, State and local governmental agencies, and to proactively prepare for a wider spread of the virus.

State law allows school districts to apply for a waiver to hold them harmless from the loss of LCFF funding based on attendance and state instructional time penalties when they are forced to close schools due to emergency conditions. In addition, the Governor has enacted Executive Order N-26-20 (“Executive Order N-26-20”), which (i) generally streamlines the process of applying for such waivers for closures related to COVID-19 and (ii) directs school districts to use LCFF apportionment to fund distance learning and high quality educational opportunities, provide school meals and, as practicable, arrange for the supervision of students during school hours.

On March 17, 2020, Senate Bill 89 (“SB 89”) and Senate Bill 117 (“SB 117”) were signed by the Governor, both of which took effect immediately. SB 89 amends the Budget Act of 2019 by appropriating \$500,000,000 from the State general fund for any purpose related to the Governor’s March 4, 2020 emergency proclamation. SB 117, among other things, (i) specifies that for school districts that comply with Executive Order N-26-20, the ADA reported to the State Department of Education for the second period and the annual period for apportionment purposes for the 2019-20 school year only includes all full school months from July 1, 2019 through February 29, 2020, (ii) prevents the loss of funding related to an instructional time penalty because of a school closed due to the COVID-19 by deeming the instructional days and minutes requirements to have been met during the period of time the school was closed due to COVID-19, (iii) requires a school district to be credited with the ADA it would have received had it been able to operate its After School Education and Safety Program during the time the school was closed due to COVID-19, and (iv) appropriates \$100,000,000 from the State general fund to the State Superintendent to be apportioned to certain local educational agencies for purposes of purchasing personal protective equipment, or paying for supplies and labor related to cleaning school sites.

On March 19, 2020, the Governor ordered all California residents to stay home or at their place of residence to protect the general health and well-being, except as needed to maintain continuity of 16 critical infrastructure sectors described therein (the “Stay Home Order”).

On March 27, 2020 the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”) was signed by the President of the United States. The CARES Act appropriates over \$2 trillion to, among other things, (i) provide cash payments to individuals, (ii) expand unemployment assistance and eligibility, (iii) provide emergency grants and loans for small businesses, (iv) provide loans and other assistance to corporations, including the airline industry, (v) provide funding for hospitals and community health centers, (vi) expand funding for safety net programs, including child nutrition programs, and (vii) provide aid to state and local governments.

To date there have been a number of confirmed cases of COVID-19 in the County and health officials are expecting the number of confirmed cases to grow. The COVID-19 outbreak has resulted in the imposition of restrictions on mass gatherings and widespread temporary closings of businesses, universities and schools (including the District’s schools). The U.S. is restricting certain non-US citizens

and permanent residents from entering the country. In addition, stock markets in the U.S. and globally have been volatile, with significant declines attributed to coronavirus concerns.

On June 29, 2020, Senate Bill 98 (“SB 98”), the education omnibus bill to the 2020-21 State Budget, was signed by the Governor, which took effect immediately. SB 98 provides that distance learning may be offered by a school district during the 2020-21 academic year on a local educational agency or schoolwide level as a result of an order or guidance from a State public health officer or a local public health officer or for pupils who are medically fragile or would be put at risk by in-person instruction, or who are self-quarantining because of exposure to COVID-19. SB 98 provides requirements for distance learning, including, but not limited to: (i) confirmation or provision of access for all pupils to connectivity and devices adequate to participate in the educational program and complete assigned work, (ii) content aligned to grade level standards that is provided at a level of quality and intellectual challenge substantially equivalent to in-person instruction, (iii) support for pupils who are not performing at grade level or need support in other areas, (iv) special education services, (v) designated and integrated instruction in English language development for English learners, and (vi) daily live interaction with certificated employees and peers. In addition, SB 98 provides that school districts will generally be funded based on ADA from the 2019-20 fiscal year, imposes limits on layoffs for certain classified and certificated employees during fiscal year 2020-21, suspends the annual instructional minutes requirement, and waives the requirement for adopting an LCAP or annual update to the LCAP for fiscal year 2020-21, while imposing a new requirement to adopt a learning continuity and attendance plan by September 30, 2020.

On August 28, 2020, the Governor released a revised system of guidelines for reopening – Blueprint for a Safer Economy (“Blueprint”). Blueprint assigns each of the State’s 58 counties into four color-coded tiers – purple, red, orange and yellow, in descending order of severity – based on the number of new daily cases of COVID-19 and the percentage of positive tests. Counties must remain in a tier for at least three weeks before advancing to the next one. To move forward, a county must meet the next tier’s criteria for two consecutive weeks. If a county’s case rate and positive rate fall into different tiers, the county remains in the stricter tier. School districts can reopen for limited in-person instruction once their county has been in the red tier (daily new cases of 4-7 per 100,000 people and 5-8% of positive tests) for at least two weeks. When they reopen, school districts must follow the guidelines for the reopening of schools and school based programs (the “Guidelines”), released by the Governor on July 17, 2020, as updated on August 3, 2020. Implementation of the Guidelines as part of a phased reopening will depend on local public health conditions, including community preparedness measures. In order to facilitate K-6 schools to open for in-person instruction under specified conditions, the local health department may grant a waiver allowing such school to forego following the Guidelines. The County is currently assigned to the purple tier as of March 1, 2021.

On November 19, 2020, the California Department of Public Health issued a limited Stay at Home order, effective November 21, 2020 for those counties under the purple tier of the Blueprint, requiring that all gatherings with members of other households and all activities conducted outside the residence, lodging, or temporary accommodation with members of other households cease between 10:00 p.m. PST and 5:00 a.m. PST, except for those activities associated with the operation, maintenance, or usage of critical infrastructure or required by law.

On December 3, 2020, the California Department of Public Health announced a Regional Stay at Home Order (the “Regional Stay at Home Order”), and a supplemental order, signed December 6, 2020, which divides the State into five regions (Northern California, Bay Area, Greater Sacramento, San Joaquin Valley, and Southern California), which will go into effect at 11:59 PM the day after a region has been announced to have less than 15% ICU availability. The supplemental order clarifies retail operations and goes into effect immediately. The orders prohibit private gatherings of any size, close sector operations except for critical infrastructure and retail, and require 100% masking and physical distancing in all others.

Guidance related to schools remains in effect and unchanged. Schools that have reopened for in-person instruction may remain open, and schools may continue to bring students back for in-person instruction under the existing elementary school waiver process or cohort guidance provided by the California Department of Public Health. On January 25, 2021, the Regional Stay at Home Order was lifted and counties will return to the Blueprint for guidelines.

On December 27, 2020, the COVID-19 Economic Relief Bill (the “Relief Bill”) was signed by the President of the United States. The Relief Bill appropriates over \$900 billion to, among other things, provide another round of (i) direct payments to individuals, (ii) enhanced unemployment benefits, (iii) education funding, and (iv) aid to sectors and industries determined to be most affected by the pandemic. No additional state and local aid was provided by the Relief Bill, but the deadline by which funding provided by the CARES Act is to be spent was extended to December 31, 2021.

As a result of the outbreak of COVID-19, the District closed its schools for in-person learning for the remainder of the 2019-20 school year effective March 13, 2020 and began instruction through distance learning. The District opened the 2020-21 school year in an all distance learning environment. Effective March 16, 2021, the District began offering all students the opportunity to attend school for in-person instruction one day per week. On March 22, 2021, the District began offering all students the opportunity to attend school for in-person instruction two days per week. On March 29, 2021, the District’s Board of Trustees adopted a resolution providing, inter alia, that: (a) effective April 12, 2021, the District will provide all students the opportunity to attend school for in-person instruction four days per week and will not decrease the number of daily in-person instructional minutes from the amount then being offered to students; (b) the District will continue to offer students the option of distance learning for the remainder of the 2020-21 school year; and (c) effective at the beginning of the 2021-22 school year, the District will offer in-person instruction five days a week.

The District will continue to evaluate the State’s school reopening guidelines and to consult with local health officials and the State’s school reopening guidelines in implementing the District’s plans for the 2021-22 academic year.

Potential impacts to the District associated with the COVID-19 outbreak include, but are not limited to, increasing costs and challenges relating to establishing distance learning programs or other measures to permit instruction while schools remain closed, disruption of the regional and local economy with corresponding decreases in tax revenues, including property tax revenue, sales tax revenue and other revenues, increases in tax delinquencies, potential declines in property values, and decreases in new home sales, and real estate development. The economic consequences and the declines in the U.S. and global stock markets resulting from the spread of COVID-19, and responses thereto by local, State, and the federal governments, could have a material impact on the investments in the State pension trusts, which could materially increase the unfunded actuarial accrued liability of the STRS Defined Benefit Program and PERS Schools Pool, which, in turn, could result in material changes to the District’s required contribution rates in future fiscal years. See “DISTRICT GENERAL INFORMATION – State Retirement Systems.

The District has received \$221,644 through SB 117 and \$8,497,006 through the CARES Act thus far, to offset increased costs due to COVID-19. The District expects to receive an additional \$17,794,645 of one-time funding related to COVID-19.

The COVID-19 outbreak is ongoing, and the ultimate geographic spread of the virus, the duration and severity of the outbreak, and the economic and other of actions that may be taken by governmental authorities to contain the outbreak or to treat its impact are uncertain. Additional information with respect to events surrounding the outbreak of COVID-19 and responses thereto can be found on State and local government websites, including but not limited to: San Diego County’s Health & Human Services Agency

(<https://www.sandiegocounty.gov/hhsa/>), the Governor's office (<http://www.gov.ca.gov>) and the California Department of Public Health (<https://covid19.ca.gov/>). The District has not incorporated by reference the information on such websites, and the District does not assume any responsibility for the accuracy of the information on such websites.

The ultimate impact of COVID-19 on the District's operations and finances is unknown. There can be no assurances that the spread of COVID-19, or the responses thereto by local, State, or the federal government, will not materially adversely impact the local, state and national economies or the assessed valuation of property within the District, or adversely impact enrollment or ADA within the District and, notwithstanding SB 117 or the Blueprint, materially adversely impact the financial condition or operations of the District. See also "TAX BASE FOR REPAYMENT OF THE BONDS – Assessed Valuations" in the forepart of this Official Statement.

Basic Aid Districts. Certain schools districts, known as "basic aid" or "community funded" districts, have allocable local property tax collections that equal or exceed such districts' total LCFF allocation, and result in the receipt of no State apportionment aid. Basic aid school districts receive only special categorical funding, which is deemed to satisfy the "basic aid" requirement of \$120 per student per year guaranteed by Article IX, Section 6 of the State Constitution. The implication for basic aid districts is that the legislatively determined allocations to school districts, and other politically determined factors, are less significant in determining their primary funding sources. Rather, property tax growth and the local economy are the primary determinants.

The District has, in the past, been classified as a basic aid district, because local property taxes collected and inuring to the District exceeded the amounts that would have been funded under the LCFF (or revenue limit funding in prior years) and otherwise provided by the State. The District became a basic aid district in Fiscal Year 2008-09, following State funding cuts to the then-applicable revenue limit formulation for school funding and remained a basic aid district until Fiscal Year 2014-15. Although the District has not been a basic aid district in recent years, the District continues to have an extraordinarily strong tax base, as local property tax collections are projected to constitute 98% of LCFF sources (and 76% of total General Fund revenue) in the current fiscal year.

Depending on the rate of growth in local property tax revenue, the District could transition back to a basic aid district. State aid is based primarily on average daily attendance and other appropriations. Under the current State funding formulas, if local taxes do not provide money equal to the funded LCFF, the State will make up the difference through State funding.

Accountability. The State Board of Education has adopted regulations regarding the expenditure of supplemental and concentration funding. These regulations include a requirement that school districts increase or improve services for EL/LI students in proportion to the increase in funds apportioned to such districts on the basis of the number and concentration of such EL/LI students, and detail the conditions under which school districts can use supplemental or concentration funding on a school-wide or district-wide basis.

School districts are also required to adopt local control and accountability plans ("LCAPs") disclosing annual goals for all students, as well as certain numerically significant student subgroups, to be achieved in eight areas of State priority identified by the LCFF. LCAPs may also specify additional local priorities. LCAPs must specify the actions to be taken to achieve each goal, including actions to correct identified deficiencies with regard to areas of State priority. LCAPs are required to be adopted every three years, beginning in fiscal year 2014-15, and updated annually thereafter. The State Board of Education has adopted a template LCAP for use by school districts.

Support and Intervention. AB 97, as amended by SB 91, established a new system of support and intervention to assist school districts meet the performance expectations outlined in their respective LCAPs. School districts must adopt their LCAPs (or annual updates thereto) in tandem with their annual operating budgets, and not later than five days thereafter submit such LCAPs or updates to their respective county superintendents of schools. On or before August 15 of each year, a county superintendent may seek clarification regarding the contents of a district's LCAP (or annual update thereto), and the district is required to respond to such a request within 15 days. Within 15 days of receiving such a response, the county superintendent can submit non-binding recommendations for amending the LCAP or annual update, and such recommendations must be considered by the respective school district at a public hearing within 15 days. A district's LCAP or annual update must be approved by the county superintendent by October 8 of each year if the superintendent determines that (i) the LCAP or annual update adheres to the State template, and (ii) the district's budgeted expenditures are sufficient to implement the actions and strategies outlined in the LCAP.

A school district is required to receive additional support if its respective LCAP or annual update thereto is not approved, if the district requests technical assistance from its respective county superintendent, or if the district does not improve student achievement across more than one State priority for one or more student subgroups. Such support can include a review of a district's strengths and weaknesses in the eight State priority areas, or the assignment of an academic expert to assist the district identify and implement programs designed to improve outcomes. Assistance may be provided by the California Collaborative for Educational Excellence, a State agency created by the LCFF and charged with assisting school districts achieve the goals set forth in their LCAPs. The State Board of Education has developed rubrics to assess school district performance and the need for support and intervention.

The State Superintendent of Public Instruction (the "State Superintendent") is further authorized, with the approval of the State Board of Education, to intervene in the management of persistently underperforming school districts. The State Superintendent may intervene directly or assign an academic trustee to act on his or her behalf. In so doing, the State Superintendent is authorized to (i) modify a district's LCAP, (ii) impose budget revisions designed to improve student outcomes, and (iii) stay or rescind actions of the local governing board that would prevent such district from improving student outcomes; provided, however, that the State Superintendent is not authorized to rescind an action required by a local collective bargaining agreement.

Other State Sources. In addition to State allocations determined pursuant to the LCFF, the District receives other State revenues consisting primarily of restricted revenues designed to implement State mandated programs. Beginning in fiscal year 2013-14, categorical spending restrictions associated with a majority of State mandated programs were eliminated, and funding for these programs was folded into the LCFF. Categorical funding for certain programs was excluded from the LCFF, and school districts will continue to receive restricted State revenues to fund these programs.

Other Revenue Sources

Federal and Local Sources. The federal government provides funding for several of the District's programs, including special education programs, programs under the No Child Left Behind Act, and specialized programs such as Drug Free Schools, Innovative Strategies, and Vocational & Applied Technology. In addition, the District receives additional local revenues beyond local property tax collections, such as leases and rentals, interest earnings, interagency services, developer fees and other local sources.

Dissolution of Redevelopment Agencies

On December 30, 2011, the State Supreme Court issued its decision in the case of *California Redevelopment Association v. Matosantos* (“*Matosantos*”), finding ABx1 26, a trailer bill to the 2011-12 State budget, to be constitutional. As a result, all redevelopment agencies in the State ceased to exist as a matter of law on February 1, 2012.

ABx1 26 was modified by Assembly Bill No. 1484 (Chapter 26, Statutes of 2011-12) (“AB 1484”), which, together with ABx1 26, is referred to herein as the “Dissolution Act.” The Dissolution Act provides that all rights, powers, duties and obligations of a redevelopment agency under the California Community Redevelopment Law that have not been repealed, restricted or revised pursuant to ABx1 26 will be vested in a successor agency, generally the county or city that authorized the creation of the redevelopment agency (each, a “Successor Agency”). All property tax revenues that would have been allocated to a redevelopment agency, less the corresponding county auditor-controller’s cost to administer the allocation of property tax revenues, are now allocated to a corresponding Redevelopment Property Tax Trust Fund (“Trust Fund”), to be used for the payment of pass-through payments to local taxing entities, and thereafter to bonds of the former redevelopment agency and any “enforceable obligations” of the Successor Agency, as well as to pay certain administrative costs. The Dissolution Act defines “enforceable obligations” to include bonds, loans, legally required payments, judgments or settlements, legal binding and enforceable obligations, and certain other obligations.

Among the various types of enforceable obligations, the first priority for payment is tax allocation bonds issued by the former redevelopment agency; second is revenue bonds, which may have been issued by the host city, but only where the tax increment revenues were pledged for repayment and only where other pledged revenues are insufficient to make scheduled debt service payments; third is administrative costs of the Successor Agency, equal to at least \$250,000 in any year, unless the oversight board reduces such amount for any fiscal year or a lesser amount is agreed to by the Successor Agency; then, fourth is tax revenues in the Trust Fund in excess of such amounts, if any, to be allocated as residual distributions to local taxing entities in the same proportions as other tax revenues. Moreover, all unencumbered cash and other assets of former redevelopment agencies will also be allocated to local taxing entities in the same proportions as tax revenues. Notwithstanding the foregoing portion of this paragraph, the order of payment is subject to modification in the event a Successor Agency timely reports to the Controller and the Department of Finance that application of the foregoing will leave the Successor Agency with amounts insufficient to make scheduled payments on enforceable obligations. If the county auditor-controller verifies that the Successor Agency will have insufficient amounts to make scheduled payments on enforceable obligations, it shall report its findings to the Controller. If the Controller agrees there are insufficient funds to pay scheduled payments on enforceable obligations, the amount of such deficiency shall be deducted from the amount remaining to be distributed to taxing agencies, as described as the fourth distribution above, then from amounts available to the Successor Agency to defray administrative costs. In addition, if a taxing agency entered into an agreement pursuant to California Health and Safety Code Section 33401 for payments from a redevelopment agency under which the payments were to be subordinated to certain obligations of the redevelopment agency, such subordination provisions shall continue to be given effect.

As noted above, the Dissolution Act expressly provides for continuation of pass-through payments to local taxing entities. Per statute, 100% of contractual and statutory two percent pass-throughs, and 56.7% of statutory pass-throughs authorized under the Community Redevelopment Law Reform Act of 1993 (AB 1290, Chapter 942, Statutes of 1993) (“AB 1290”), are restricted to educational facilities without offset against revenue limit apportionments by the State. Only 43.3% of AB 1290 pass-throughs are offset against State aid so long as the District uses the moneys received for land acquisition, facility construction,

reconstruction, or remodeling, or deferred maintenance as provided under California Education Code Section 42238(h).

ABx1 26 states that in the future, pass-throughs shall be made in the amount “which would have been received had the redevelopment agency existed at that time,” and that the County Auditor-Controller shall “determine the amount of property taxes that would have been allocated to each redevelopment agency had the redevelopment agency not been dissolved pursuant to the operation of [ABx1 26] using current assessed values and pursuant to statutory [pass-through] formulas and contractual agreements with other taxing agencies.”

Successor Agencies continue to operate until all enforceable obligations have been satisfied and all remaining assets of the Successor Agency have been disposed of. AB 1484 provides that once the debt of the Successor Agency is paid off and remaining assets have been disposed of, the Successor Agency shall terminate its existence and all pass-through payment obligations shall cease.

The District can make no representations as to the extent to which its apportionments from the State may be offset by the future receipt of residual distributions or from unencumbered cash and assets of former redevelopment agencies or any other surplus property tax revenues pursuant to the Dissolution Act.

Accounting Practices

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

The District’s expenditures are accrued at the end of the fiscal year to reflect the receipt of goods and services in that year. Revenues generally are recorded on a cash basis, except for items that are susceptible to accrual (measurable and/or available to finance operations). Current taxes are considered susceptible to accrual. Delinquent taxes not received after the fiscal year end are not recorded as revenue until received. Revenues from specific state and federally funded projects are recognized when qualified expenditures have been incurred. State block grant apportionments are accrued to the extent that they are measurable and predictable. The State Department of Education sends the District updated information from time to time explaining the acceptable accounting treatment of revenue and expenditure categories.

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

Financial Statements

The District’s general fund finances the legally authorized activities of the District for which restricted funds are not provided. General fund revenues are derived from such sources as State school fund apportionments, taxes, use of money and property, and aid from other governmental agencies. Audited financial statements of the District for the fiscal year ended June 30, 2019, and prior fiscal years are on file with the District and available for public inspection at the Office of the Superintendent of the San Dieguito Union High School District, 701 Encinitas Boulevard, Encinitas, California 92024. The Audited Financial Statements of the District for the Fiscal Year Ended June 30, 2020, are included in Appendix B hereto.

Comparative Financial Statements

The following table reflects the District's general fund revenues, expenditures and fund balances from fiscal year 2015-16 to fiscal year 2019-20.

AUDITED FINANCIAL STATEMENTS
Statement of Revenues, Expenditures and Changes in Fund
Balances – General Fund – Fiscal Years 2015-16 through 2019-20⁽¹⁾
San Dieguito Union High School District

	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
REVENUES					
LCFF Sources					
State Apportionment or State Aid	\$811,386	\$2,097,808	\$352,585	\$2,658,326	\$1,549,718
Education Protection Account Funds	2,443,494	2,481,470	2,506,336	2,522,854	2,540,680
Local Sources	93,665,578	99,482,163	105,146,360	111,140,668	116,936,815
Federal Revenue	4,432,599	4,163,847	3,794,025	3,678,501	4,334,801
Other State Revenue	16,257,334	15,373,247	13,571,420	21,343,648	13,155,012
Interest	--	--	--	--	1,286,653
Other Local Revenue	<u>9,643,955</u>	<u>10,232,433</u>	<u>9,933,657</u>	<u>9,493,315</u>	<u>9,653,523</u>
Total Revenues	127,254,346	133,830,968	135,304,383	150,837,312	\$149,457,202
EXPENDITURES					
Instruction	74,205,409	82,726,060	83,261,243	90,565,533	90,816,123
Instruction-Related Services	13,495,915	14,886,958	15,162,683	16,309,088	16,565,318
Pupil Services	13,386,094	14,821,383	14,404,791	15,268,307	15,034,435
Ancillary Services	2,692,285	2,849,991	3,038,242	3,298,299	2,853,199
General Administration	5,847,097	6,911,398	7,116,297	8,182,891	8,699,421
Plant Services	11,573,679	11,860,094	12,623,156	12,969,284	14,015,475
Other Outgo	927,214	973,304	779,233	979,346	694,571
Debt Issuance Costs					777,614
Capital Outlay	--	1,407,855	1,020,356	499,563	351,515
Debt Service:					
Principal	765,585	765,588	765,588	900,070	893,640
Interest	<u>822,221</u>	<u>822,197</u>	<u>822,150</u>	<u>845,633</u>	<u>840,182</u>
Total Expenditures	123,715,499	138,024,828	138,993,739	149,818,014	151,541,493
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,538,847	(4,193,860)	(3,689,356)	1,019,298	(2,084,291)
Other Financing Sources (Uses):					
Transfers In	765,589	1,426,017	765,589	4,904,312	768,931
Transfers Out	(30,000)	(60,604)	(211,039)	(3,668,585)	(625,826)
Proceeds from Sale of Bonds	--	--	--	--	--
Other Sources	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Other Financing Sources (Uses)	735,589	1,365,413	554,550	1,235,727	143,105
NET CHANGE IN FUND BALANCE	4,274,436	(2,828,447)	(3,134,806)	2,255,025	(1,941,186)
Fund Balance, July 1	<u>23,865,638</u>	<u>28,140,074</u>	<u>25,311,627</u>	<u>22,176,821</u>	<u>24,431,846</u>
Fund Balances, June 30	<u>\$28,140,074</u>	<u>\$25,311,627</u>	<u>\$22,176,821</u>	<u>\$24,431,846</u>	<u>\$22,490,660</u>

⁽¹⁾ For projected general fund revenues, expenditures and changes in fund balance for fiscal year 2020-21, see " – General Fund Budgets" below.
Source: The District.

Budget Process

State Budgeting Requirements. The District is required by provisions of the State Education Code to maintain a balanced budget each year, in which the sum of expenditures and the ending fund balance cannot exceed the sum of revenues and the carry-over fund balance from the previous year. The State Department of Education imposes a uniform budgeting and accounting format for school districts. The

budget process for school districts was substantially amended by Assembly Bill 1200 (“AB 1200”), which became State law on October 14, 1991. Portions of AB 1200 are summarized below. Additional amendments to the budget process were made by Assembly Bill 2585, effective as of September 9, 2014, including the elimination of the dual budget cycle option for school districts. All school districts must now be on a single budget cycle.

School districts must adopt a budget on or before July 1 of each year. The budget must be submitted to the county superintendent within five days of adoption or by July 1, whichever occurs first. The county superintendent will 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, and will determine if the budget allows the district to meet its current obligations, if the budget is consistent with a financial plan that will enable the district to meet its multi-year financial commitments, whether the budget includes the expenditures necessary to implement a local control and accountability plan, and whether the budget’s ending fund balance exceeds the minimum recommended reserve for economic uncertainties.

On or before August 15, the county superintendent will approve, conditionally approve or disapprove the adopted budget for each school district. Budgets will be disapproved if they fail the above standards. The district board must be notified by August 15 of the county superintendent’s recommendations for revision and reasons for the recommendations. The county superintendent may assign a fiscal advisor or appoint a committee to examine and comment on the superintendent’s recommendations. The committee must report its findings no later than August 20. Any recommendations made by the county superintendent must be made available by the district for public inspection. No later than September 22, the county superintendent must notify the State Superintendent of Public Instruction of all school districts whose budget may be disapproved.

For districts whose budgets have been disapproved, the district must revise and readopt its budget by September 8, reflecting changes in projected income and expense since July 1, including responding to the county superintendent’s recommendations. The county superintendent must determine if the budget conforms with the standards and criteria applicable to final district budgets and not later than October 8, will approve or disapprove the revised budgets. If the budget is disapproved, the county superintendent will call for the formation of a budget review committee pursuant to California Education Code Section 42127.1. No later than October 8, the county superintendent must notify the State Superintendent of Public Instruction of all school districts whose budget has been disapproved. Until a district’s budget is approved, the district will operate on the lesser of its proposed budget for the current fiscal year or the last budget adopted and reviewed for the prior fiscal year.

Interim Financial Reports. Under the provisions of AB 1200, each school district is required to file interim certifications with the county office of education as to its ability to meet its financial obligations for the remainder of the then-current fiscal year and, based on current forecasts, for the subsequent two fiscal years. The county office of education reviews the certification and issues either a positive, negative or qualified certification. A positive certification is assigned to any school district that will meet its financial obligations for the current fiscal year and subsequent two fiscal years. A negative certification is assigned to any school district that will be unable to meet its financial obligations for the remainder of the current fiscal year or subsequent fiscal year. A qualified certification is assigned to any school district that may not meet its financial obligations for the current fiscal year or two subsequent fiscal years.

Within the past five years, the District has submitted, and the County superintendent of schools has accepted, positive certifications on all of the District’s interim financial reports. The District has never had an adopted budget disapproved by the County superintendent of schools, and has never submitted or received a negative certification of an interim financial report pursuant to AB 1200.

General Fund Budgets

The District's general fund budgets for the fiscal years ending June 30, 2019, through June 30, 2021, actual results for the fiscal years ending June 30, 2019, and June 30, 2020, and projected actual results for the fiscal year ended June 30, 2021, are set forth in the following table.

GENERAL FUND BUDGET AND ACTUAL RESULTS FISCAL YEARS ENDING JUNE 30, 2019 THROUGH JUNE 30, 2021 San Diegoito Union High School District

	2018-19 Budget ⁽¹⁾	2018-19 Actual ⁽¹⁾	2019-20 Budget ⁽¹⁾	2019-20 Actual ⁽¹⁾	2020-21 Budget ⁽²⁾	2020-21 Projected Actual ⁽³⁾
REVENUES						
LCFF Sources:						
State Apportionment or State Aid	\$5,828,270	\$2,658,326	\$1,689,549	\$1,549,718	\$353,318	\$353,318
Education Protection Account Funds	2,526,000	2,522,854	2,527,200	2,540,680	2,538,054	2,538,054
Local Sources	107,322,122	111,140,668	116,309,594	116,936,815	122,186,208	122,186,208
Federal Revenue	3,796,592	3,678,501	3,829,292	4,334,801	11,480,753	11,480,753
Other State Revenue	15,185,044	21,343,648	11,225,862	13,155,012	13,527,798	13,527,798
Interest	--	--	--	1,173,867	--	--
Other Local Revenue	<u>6,263,647</u>	<u>9,436,961</u>	<u>7,855,167</u>	<u>9,653,523</u>	<u>8,781,635</u>	<u>8,781,635</u>
Total Revenues	140,921,675	150,780,958	143,436,664	149,344,416	158,867,766	158,867,766
EXPENDITURES						
Current:						
Certificated Salaries	70,838,410	70,426,191	71,366,368	73,831,222	75,305,963	75,305,963
Classified Salaries	20,649,797	19,697,606	20,868,600	21,260,061	21,982,850	21,982,850
Employee Benefits	32,655,249	38,829,809	34,965,729	36,278,045	35,815,948	35,815,948
Books and Supplies	4,233,780	3,673,656	3,432,751	3,024,477	11,578,881	11,578,881
Services and Other Operating Expenditures	14,409,684	14,446,811	14,462,125	14,462,408	16,536,309	16,536,309
Other Outgo	602,350	588,217	500,345	694,571	891,875	891,875
Direct Support/Indirect Costs	(155,000)	(89,542)	(157,212)	(94,629)	(108,000)	(108,000)
Capital Outlay	65,000	499,563	57,000	351,515	3,109,022	3,109,022
Debt Service:						
Principal	900,072	900,070	900,071	893,640	845,641	845,641
Interest	<u>845,722</u>	<u>845,633</u>	<u>845,722</u>	<u>840,182</u>	<u>900,071</u>	<u>900,071</u>
Total Expenditures	145,045,064	149,818,014	147,241,499	151,541,492	166,858,560	166,858,560
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,123,389)	962,944	(3,804,835)	(2,197,076)	(7,990,794)	(7,990,794)
Other Financing Sources (Uses):						
Transfers In	765,589	1,284,312	765,589	768,931	7,014,589	7,014,589
Transfers Out	<u>(355,682)</u>	<u>(3,668,585)</u>	<u>(395,640)</u>	<u>(625,826)</u>	<u>(1,784,161)</u>	<u>(1,784,161)</u>
Net Other Financing Sources (Uses)	409,907	(2,384,273)	369,949	143,105	5,230,428	5,230,428
NET CHANGE IN FUND BALANCE	(3,713,482)	(1,421,329)	(3,434,886)	(2,053,971)	(2,760,366)	(2,760,366)
Fund Balance, July 1	19,633,717	19,633,717	18,212,388	18,212,388	16,158,417	16,158,417
Fund Balances, June 30	<u>\$15,920,235</u>	<u>\$18,212,388</u>	<u>\$14,777,502</u>	<u>\$16,158,417</u>	<u>\$13,398,051</u>	<u>\$13,398,051</u>

⁽¹⁾ Original budgeted amounts and actual amounts from Required Supplementary Information in District audited financial reports.

⁽²⁾ Fiscal year 2020-21 adopted budget.

⁽³⁾ Projected fiscal year-end totals for fiscal year 2020-21, as of March 18, 2021.

Source: *The District*.

District Debt Structure

Short-Term Debt. Because District revenues from local property taxes and State categorical funds are received at irregular intervals throughout the year, while expenditures tend to be incurred on a regular monthly basis, the District finds it necessary to borrow for short-term cash needs by issuance of tax and

revenue anticipation notes. In 2020, the District elected to participate in the authorization and issuance of the County of San Diego and San Diego County School Districts Tax and Revenue Anticipation Note Program, Note Participations, Series 2020, resulting in the issuance on behalf of the District of an aggregate principal amount of \$11,000,000 of revenue anticipation notes (the “2020-21 TRANS”). The 2020-21 TRANS matured on February 1, 2021 and bore interest at a rate of 3.00%. Amounts for the full repayment of the 2020-21 TRANS were set aside as in January 2021. The 2020-21 TRANS were sold by the District to supplement the District’s cash flow. The District anticipates the issuance of additional tax and revenue anticipation notes for Fiscal Year 2021-22.

Schedule of Long-Term Obligations. A schedule of changes in the District’s long-term obligations for the year ended June 30, 2020, is shown below:

	Balance <u>July 1, 2019</u>	<u>Increases</u>	<u>Decreases</u>	Ending <u>Balance</u>	Due within <u>One Year</u>
General Obligation Bonds	\$348,570,227	\$145,285,000	\$137,443,012	\$356,412,215	\$6,235,928
State School Building Loan	583,909	--	326,973	256,936	256,936
Capital Leases	731,914	--	138,301	593,613	142,229
Lease Revenue Bonds	12,538,699	--	(27,329)	12,566,028	(27,329)
Special Tax Bonds ⁽¹⁾	106,019,618	--	2,019,847	103,999,771	3,219,847
Net Pension Liability ⁽²⁾	157,671,343	--	257,018	157,414,325	--
Net OPEB Liability ⁽³⁾	31,558,515	1,137,072	--	32,695,587	--
Compensated Absences ⁽⁴⁾	1,781,947	523,117	--	2,305,064	2,305,064
Total Governmental Activities	<u>\$659,456,172</u>	<u>\$146,945,189</u>	<u>\$140,157,822</u>	<u>\$666,243,539</u>	<u>\$12,132,675</u>

⁽¹⁾ Special Tax Bonds of community facilities districts of the District. Debt service on such Special Tax Bonds is paid from the proceeds of special taxes levied against taxable real property within the respective community facilities districts. See “TAX BASE FOR REPAYMENT OF THE BONDS – Statement of Direct and Overlapping Debt” in the forepart of this Official Statement and “ – Non-Obligatory Debt; Community Facilities Districts” below.

⁽²⁾ See “DISTRICT GENERAL INFORMATION – State Retirement Systems” herein.

⁽³⁾ See “DISTRICT GENERAL INFORMATION – Post-Employment Benefits” herein.

⁽⁴⁾ Includes accumulated employee vacation time. See “Auditor’s Results, Findings and Recommendations” in the audited financial statements of the District for the year ended June 30, 2020, attached hereto as Appendix B.

Source: *The District.*

General Obligation Bonds. The Proposition AA Authorization was approved on November 5, 2012. On April 11, 2013, the District issued an aggregate principal amount of \$160,000,000 of general obligation bonds pursuant to the Proposition AA Authorization, consisting of \$2,320,000 aggregate principal amount of 2013 General Obligation Bonds (Election of 2012), Series A-1 (Taxable) and \$157,680,000 principal amount of 2013 General Obligation Bonds (Election of 2012), Series A-2 (Tax-Exempt) (the “Series A-2”).

On April 29, 2015, the District issued an aggregate principal amount of \$117,040,000 of general obligation bonds pursuant to the Proposition AA Authorization, consisting of \$7,010,000 aggregate principal amount of 2015 General Obligation Bonds (Election of 2012), Series B-1 (Taxable) and \$110,030,000 principal amount of 2015 General Obligation Bonds (Election of 2012), Series B-2 (Tax-Exempt) (the “Series B-2”).

On July 14, 2016, the District issued an aggregate principal amount of \$62,000,000 of general obligation bonds pursuant to the Proposition AA Authorization, consisting of \$795,000 aggregate principal amount of 2016 General Obligation Bonds (Election of 2012) Series C-1 (Taxable) and \$61,205,000 principal amount of 2016 General Obligation Bonds (Election of 2012) Series C-2 (Tax-Exempt) (the “Series C-2”).

On May 31, 2018, the District issued an aggregate principal amount of \$62,000,000 of general obligation bonds pursuant to the Proposition AA Authorization, consisting of \$3,100,000 aggregate principal amount of 2018 General Obligation Bonds (Election of 2012) Series D-1 (Taxable) (the “Series D-1”) and \$21,900,000 principal amount of 2018 General Obligation Bonds (Election of 2012) Series D-2 (Tax-Exempt) (the “Series D-2”).

On May 12, 2020, the District issued an aggregate principal amount of \$145,285,000 aggregate principal amount 2020 General Obligation Refunding Bonds (Federally Taxable) (the “2020 Refunding Bonds”).

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The table below presents the annual debt service requirements for all of the District's outstanding general obligation bonded debt, including the Bonds.

GENERAL OBLIGATION BOND CONSOLIDATED DEBT SERVICE SCHEDULE
San Dieguito Union High School District

Year Ending (August 1)	Series A-2	Series B-2 ⁽¹⁾⁽²⁾	Series C-2 ⁽³⁾	Series D-2	2020 Refunding Bonds	Series E-1 Bonds	Series E-2 Bonds	2021 Refunding Bonds	Total Annual Debt Service
2021	\$2,766,600	\$4,179,400	\$1,991,975	\$3,280,600	\$5,269,044				
2022	3,174,000	4,179,400	1,991,975	727,400	5,271,366				
2023	3,599,750	4,179,400	1,991,975	727,400	5,271,425				
2024	4,042,500	4,179,400	3,346,975	727,400	5,269,273				
2025	--	4,179,400	3,552,613	727,400	9,768,145				
2026	--	4,179,400	4,049,488	727,400	9,934,350				
2027	--	6,904,400	1,761,200	727,400	10,222,405				
2028	--	7,400,400	1,761,200	727,400	10,396,949				
2029	--	7,837,200	1,761,200	727,400	10,673,431				
2030	--	8,051,200	2,326,200	727,400	11,198,989				
2031	--	8,265,400	2,558,600	727,400	11,755,460				
2032	--	8,469,200	2,770,800	727,400	12,335,381				
2033	--	8,687,400	3,003,200	727,400	12,946,941				
2034	--	8,903,800	3,194,600	727,400	13,528,167				
2035	--	9,122,800	3,401,200	727,400	14,207,292				
2036	--	9,340,375	2,272,000	727,400	14,928,956				
2037	--	9,564,600	2,395,000	727,400	15,679,415				
2038	--	9,791,600	2,521,350	727,400	6,171,120				
2039	--	27,452,800	2,658,050	727,400	--				
2040	--	15,300,000	15,534,650	727,400	--				
2041	--	--	30,916,900	727,400	--				
2042	--	--	--	18,912,400	--				
Totals ⁽⁴⁾	<u>\$13,582,850</u>	<u>\$170,167,575</u>	<u>\$95,761,151</u>	<u>\$36,741,000</u>	<u>\$184,828,109</u>				

⁽¹⁾ Includes the Prior Bonds.

⁽²⁾ Final maturity is February 1, 2040.

⁽³⁾ Final maturity is February 1, 2041.

⁽⁴⁾ Figures rounded.

Lease Revenue Bonds. In May 2010, the District entered into a facility lease agreement with the San Dieguito Public Facilities Authority (the “Public Facilities Authority”) to execute and deliver Lease Revenue Bonds, Series 2010A (Qualified School Construction Bonds - Direct Subsidy) in the amount of \$13,015,000 (the “2010A Lease Revenue Bonds”) with an interest rate of 6.459% for various capital projects and public school improvements, including the installation of solar power facilities at La Costa Canyon High School and the Canyon Crest Academy. The 2010A Lease Revenue Bonds are designated as qualified school construction bonds under Section 54F of the Code. Of the 6.459% per annum paid in interest on the 2010A Lease Revenue Bonds, 5.660% per annum was scheduled to be reimbursed by direct subsidy payments from the federal government pursuant to Section 6431 of the Code. However, pursuant to the federal Balanced Budget and Emergency Deficit Control Act of 1985, as amended, the subsidy paid was reduced. The subsidy payment will be decreased by 5.9% through September 30, 2020; effectively increasing the portion of the interest on the 2010A Lease Revenue Bonds that is paid by the District. The sequestration reduction rate will be applied unless Congress acts to intervene. Without Congressional intervention, the sequestration rate is subject to change in the following federal fiscal year. The District cannot predict whether or how subsequent sequestration actions may affect subsidy payments currently scheduled for receipt in future federal fiscal years.

Future Financings. The District may issue additional general obligation bonds and general obligation refunding bonds depending upon project needs and market conditions. The District may not issue general obligation bonds if the tax rate levied to meet the debt service requirements for general obligation bonds approved at a single election, such as the Proposition AA Authorization, is projected to exceed \$30 per year per \$100,000 of taxable property in accordance with Article XIII A of the State Constitution. See “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING SCHOOL DISTRICT REVENUES AND APPROPRIATIONS – Article XIII A of the California Constitution” and “– Proposition 39” herein.

Pursuant to the State Education Code, the District’s bonding capacity for general obligation bonds is 1.25% of the taxable property valuation of property within the District as of the last assessment roll. Prior to the issuance of the Bonds, the District had issued approximately \$364 million aggregate principal amount of general obligation bonds under the Proposition AA Authorization, of which approximately \$330 million is currently outstanding. See “TAX BASE FOR REPAYMENT OF THE BONDS – Assessed Valuations – Bonding Capacity” in the forepart of this Official Statement.

Non-Obligatory Debt; Community Facilities Districts. The District has established several Mello-Roos community facilities districts pursuant to the Mello-Roos Community Facilities District Act of 1982, as amended. Certain outstanding special tax bonds (the “Special Tax Bonds”) issued by these community facilities districts were acquired by the School Facilities Financing Authority and provide revenues to pay debt service on the School Facilities Financing Authority’s outstanding revenue bonds.

The annual payments for the Special Tax Bonds are secured solely by the special taxes levied on taxable property in the respective community facilities district and are not obligations of the District. See “TAX BASE FOR REPAYMENT OF THE BONDS – Statement of Direct and Overlapping Debt” in the forepart of this Official Statement. For additional information, see Note M to the Audited Financial Statements of the District for the Fiscal Year Ended June 30, 2020, attached hereto as Appendix B.

CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING SCHOOL DISTRICT REVENUES AND APPROPRIATIONS

Principal of and interest on the Bonds are payable from the proceeds of an ad valorem property tax levied by the County for the payment thereof. See “THE BONDS – Security and Sources of Payment” in the forepart of this Official Statement. Articles XIII A, XIII B, XIII C and XIII D of the California Constitution, Propositions 22, 26, 39, 46, 98, 111 and 1A, 1D and certain other provisions of law discussed below, are discussed in this section to describe the potential effect of these Constitutional and statutory measures on the ability of the County to levy taxes on behalf of the District and of the District to spend tax proceeds for operating and other purposes, and it should not be inferred from the inclusion of such materials that these laws impose any limitation on the ability of the County to levy property taxes for payment of the principal and interest on the Bonds. The ad valorem property tax levied by the County for payment of the Bonds was approved by the voters of the District in compliance with Article XIII A, Article XIII C, and all applicable laws.

Article XIII A of the California Constitution

Article XIII A (“Article XIII A”) of the State Constitution limits the amount of *ad valorem* property taxes on real property to 1% of “full cash value” as determined by the county assessor. Article XIII A defines “full cash value” to mean “the county assessor’s valuation of real property as shown on the 1975-76 bill under “full cash value,” or thereafter, the appraised value of real property when purchased, newly constructed or a change in ownership has occurred after the 1975 assessment,” subject to exemptions in certain circumstances of property transfer or reconstruction. Determined in this manner, the full cash value is also referred to as the “base year value.” The full cash value is subject to annual adjustment to reflect increases, not to exceed 2% for any year, or decreases in the consumer price index or comparable local data, or to reflect reductions in property value caused by damage, destruction or other factors.

Article XIII A has been amended to allow for temporary reductions of assessed value in instances where the fair market value of real property falls below the adjusted base year value described above. Proposition 8—approved by the voters in November of 1978—provides for the enrollment of the lesser of the base year value or the market value of real property, taking into account reductions in value due to damage, destruction, depreciation, obsolescence, removal of property, or other factors causing a similar decline. In these instances, the market value is required to be reviewed annually until the market value exceeds the adjusted base year value. Reductions in assessed value could result in a corresponding increase in the annual tax rate levied by the County to pay debt service on the Bonds. See “THE BONDS – Security and Sources of Payment” and “TAX BASE FOR REPAYMENT OF BONDS” in the forepart of this Official Statement.

Article XIII A requires a vote of two-thirds or more of the qualified electorate of a city, county, special district or other public agency to impose special taxes, while totally precluding the imposition of any additional *ad valorem* property, sales or transaction tax on real property. Article XIII A exempts from the 1% tax limitation any taxes above that level required to pay debt service (a) on any indebtedness approved by the voters prior to July 1, 1978, or (b) as the result of an amendment approved by State voters on June 3, 1986, on any bonded indebtedness approved by two-thirds or more of the votes cast by the voters for the acquisition or improvement of real property on or after July 1, 1978, or (c) on 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% or more of the votes cast on the proposition, but only if certain accountability measures are included in the proposition. The tax for payment of the Bonds falls within the exception described in (c) of the immediately preceding sentence. In addition, Article XIII A requires the approval of two-thirds or more of all members of the Legislature to change any State taxes for the purpose of increasing tax revenues.

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 relevant county and distributed according to a formula among taxing agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1979.

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

All taxable property value included in this Official Statement is shown at 100% of taxable value (unless noted differently) and all tax rates reflect the \$1 per \$100 of taxable value.

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

Proposition 50 and Proposition 171

On June 3, 1986, the voters of the State approved Proposition 50. Proposition 50 amends Section 2 of Article XIII A of the State Constitution to allow owners of property that was “substantially damaged or destroyed” by a disaster, as declared by the Governor (the “Damaged Property”), to transfer their existing base year value (the “Original Base Year Value”) to a comparable replacement property within the same county, which is acquired or constructed within five years after the disaster. At the time of such transfer, the Damaged Property will be reassessed at its full cash value immediately prior to damage or destruction (the “Original Cash Value”); however, such property will retain its base year value notwithstanding such a transfer. Property is substantially damaged or destroyed if either the land or the improvements sustain physical damage amounting to more than 50% of either the land or improvements full cash value immediately prior to the disaster. There is no filing deadline, but the assessor can only correct four years of assessments when the owner fails to file a claim within four years of acquiring a replacement property.

Under Proposition 50, the base year value of the replacement property (the “Replacement Base Year Value”) depends on the relation of the full cash value of the replacement property (the “Replacement Cash Value”) to the Original Cash Value: if the Replacement Cash Value exceeds 120% of the Original Cash Value, then the Replacement Base Year Value is calculated by combining the Original Base Year Value with such excessive Replacement Cash Value; if the Replacement Cash Value does not exceed 120% of the Original Cash Value, then the Replacement Base Year Value equals the Original Base Year Value; if the Replacement Cash Value is less than the Original Cash Value, then the Replacement Base Year Value equals the Replacement Cash Value. The replacement property must be comparable in size, utility, and function to the Damaged Property.

On November 2, 1993, the voters of the State approved Proposition 171. Proposition 171 amends subdivision (e) of Section 2 of Article XIII A of the State Constitution to allow owners of Damaged Property to transfer their Original Base Year Value to a “comparable replacement property” located within another county in the State, which is acquired or newly constructed within three years after the disaster.

Intra-county transfers under Proposition 171 are more restrictive than inter-county transfers under Proposition 50. For example, Proposition 171 (1) only applies to (a) structures that are owned and occupied by property owners as their principal place of residence and (b) land of a “reasonable size that is used as a

site for a residence;” (2) explicitly does not apply to property owned by firms, partnerships, associations, corporations, companies, or legal entities of any kind; (3) only applies to replacement property located in a county that adopted an ordinance allowing Proposition 171 transfers; (4) claims must be timely filed within three years of the date of purchase or completion of new construction; and (5) only applies to comparable replacement property, which has a full cash value that is of “equal or lesser value” than the Original Cash Value.

Within the context of Proposition 171, “equal or lesser value” means that the amount of the Replacement Cash Value does not exceed either (1) 105% of the Original Cash Value when the replacement property is acquired or constructed within one year of the destruction, (2) 110% of the Original Cash Value when the replacement property is acquired or constructed within two years of the destruction, or (3) 115% of the Original Cash Value when the replacement property is acquired or constructed within three years of the destruction.

Unitary Property

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

So long as the District is not a basic aid or community funded district, taxes lost through any reduction in assessed valuation will be compensated by the State as equalization aid under the State’s school financing formula. See “DISTRICT FINANCIAL INFORMATION – State Funding of Education” herein.

Article XIII B of the California Constitution

Article XIII B (“Article XIII B”) of the State Constitution, as subsequently amended by Propositions 98 and 111, respectively, limits the annual appropriations of the State and of any city, county, school district, authority or other political subdivision of the State to the level of appropriations of the particular governmental entity for the prior fiscal year, as adjusted for changes in the cost of living and in population and for transfers in the financial responsibility for providing services and for certain declared emergencies. As amended, Article XIII B defines:

- (a) “change in the cost of living” with respect to K-14 school districts to mean the percentage change in California per capita income from the preceding year, and
- (b) “change in population” with respect to a school district to mean the percentage change in the average daily attendance of the school district from the preceding fiscal year.

For fiscal years beginning on or after July 1, 1990, the appropriations limit of each entity of government shall be the appropriations limit for the 1986-87 fiscal year adjusted for the changes made from that fiscal year pursuant to the provisions of Article XIII B, as amended.

The appropriations of an entity of local government subject to Article XIII B limitations include the proceeds of taxes levied by or for that entity and the proceeds of certain state subventions to that entity. “Proceeds of taxes” include, but are not limited to, all tax revenues and the proceeds to the entity from

(a) regulatory licenses, user charges and user fees (but only to the extent that these proceeds exceed the reasonable costs in providing the regulation, product or service), and (b) the investment of tax revenues.

Appropriations subject to limitation do not include (a) refunds of taxes, (b) appropriations for bonded debt service such as the Bonds, (c) appropriations required to comply with certain mandates of the courts or the federal government, (d) appropriations of certain special districts, (e) appropriations for all qualified capital outlay projects as defined by the Legislature, (f) appropriations derived from certain fuel and vehicle taxes and (g) appropriations derived from certain taxes on tobacco products.

Article XIII B includes a requirement that all revenues received by an entity of government other than the State in a fiscal year and in the fiscal year immediately following it in excess of the amount permitted to be appropriated during that fiscal year and the fiscal year immediately following it shall be returned by a revision of tax rates or fee schedules within the next two subsequent fiscal years.

Article XIII B also includes a requirement that 50% of all revenues received by the State in a fiscal year and in the fiscal year immediately following it in excess of the amount permitted to be appropriated during that fiscal year and the fiscal year immediately following it shall be transferred and allocated to the State School Fund pursuant to Section 8.5 of Article XVI of the State Constitution. See “– Propositions 98 and 111” herein.

Article XIII C and Article XIII D of the California Constitution

On November 5, 1996, the voters of the State of California approved Proposition 218, popularly known as the “Right to Vote on Taxes Act.” Proposition 218 added to the California Constitution Articles XIII C and XIII D (respectively, “Article XIII C” and “Article XIII D”), which contain a number of provisions affecting the ability of local agencies, including school districts, to levy and collect both existing and future taxes, assessments, fees and charges.

According to the “Title and Summary” of Proposition 218 prepared by the California Attorney General, Proposition 218 limits “the authority of local governments to impose taxes and property-related assessments, fees and charges.” Among other things, Article 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 California 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 does not impose any taxes, assessments, or property-related fees or charges which are subject to the provisions of Proposition 218. It does, however, receive a portion of the basic 1% *ad valorem* property tax levied and collected by the County pursuant to Article XIII A of the California Constitution. The provisions of Proposition 218 may have an indirect effect on the District, such as by limiting or reducing the revenues otherwise available to other local governments whose boundaries encompass property located within the District thereby causing such local governments to reduce service levels and possibly adversely affecting the value of property within the District.

Proposition 26

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

Propositions 98 and 111

On November 8, 1988, California voters approved Proposition 98, a combined initiative constitutional amendment and statute called the “Classroom Instructional Improvement and Accountability Act” (the “Accountability Act”). Certain provisions of the Accountability Act were, however, modified by Proposition 111, discussed below, the provisions of which became effective on July 1, 1990. 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-14 school districts at a level equal to the greater of (a) the same percentage of State general fund revenues as the percentage appropriated to such districts in the 1986-87 fiscal year, or (b) the amount actually appropriated to such districts from the State general fund in the previous fiscal year, adjusted for increases in enrollment and changes in the cost of living. The Accountability Act permits the Legislature to suspend this formula for a one-year period.

The Accountability Act also changed how tax revenues in excess of the State appropriations limit are distributed. Any excess State tax revenues up to a specified amount, instead of being returned to taxpayers, is transferred to K-14 school districts. Any such transfer to K-14 school districts is excluded from the appropriations limit for K-14 school districts and the K-14 school district appropriations limit for the next year is automatically increased by the amount of such transfer. These additional moneys enter the base funding calculation for K-14 school districts for subsequent years, creating further pressure on other portions of the State budget, particularly if revenues decline in a year following an Article XIII B surplus. The maximum amount of excess tax revenues which may be transferred to K-14 school districts is 4% of the minimum State spending for education mandated by the Accountability Act.

Since the Accountability Act is unclear in some details, there can be no assurances that the Legislature or a court might not interpret the Accountability Act to require a different percentage of State general fund revenues to be allocated to K-14 school districts, or to apply the relevant percentage to the State’s budgets in a different way than is proposed in the Governor’s budget.

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

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

- a. Annual Adjustments to Spending Limit. The annual adjustments to the Article XIII B spending limit were liberalized to be more closely linked to the rate of economic growth. Instead of being tied to the Consumer Price Index, the “change in the cost of living” is now measured by the change in California per capita personal income. The definition of “change in population” specifies that a portion of the State’s spending limit is to be adjusted to reflect changes in school attendance.
- b. Treatment of Excess Tax Revenues. “Excess” tax revenues with respect to Article XIII B are now determined based on a two-year cycle, so that the State can avoid having to return to taxpayers excess tax revenues in one year if its appropriations in the next fiscal year are under its limit. In addition, the Proposition 98 provision regarding excess tax revenues was modified. After any two-year period, if there are excess State tax revenues, 50% of the excess are to be transferred to K-14 school districts with the balance returned to taxpayers; under prior law, 100% of excess State tax revenues went to K-14 school districts, but only up to a maximum of 4% of such districts’ minimum funding level. Also, reversing prior law, any excess State tax revenues transferred to K-14 school districts are not built into the school districts’ base expenditures for calculating their entitlement for State aid in the next year, and the State’s appropriations limit is not to be increased by this amount.
- c. Exclusions from Spending Limit. Two exceptions were added to the calculation of appropriations which are subject to the Article XIII B spending limit. First, there are excluded all appropriations for “qualified capital outlay projects” as defined by the Legislature. Second, there are excluded any increases in gasoline taxes above the 1990 level (then nine cents per gallon), sales and use taxes on such increment in gasoline taxes, and increases in receipts from vehicle weight fees above the levels in effect on January 1, 1990. These latter provisions were necessary to make effective the transportation funding package approved by the Legislature and the Governor, which was expected to raise over \$15 billion in additional taxes from 1990 through 2000 to fund transportation programs.
- d. Recalculation of Appropriations Limit. The Article XIII B appropriations limit for each unit of government, including the State, is to be recalculated beginning in fiscal year 1990-91. It is based on the actual limit for fiscal year 1986-87, adjusted forward to 1990-91 as if Proposition 111 had been in effect.
- e. School Funding Guarantee. There is a complex adjustment in the formula enacted in Proposition 98 which guarantees K-14 school districts a certain amount of State general fund revenues. Under prior law, K-14 school districts were guaranteed the greater of (1) 40.9% of State general fund revenues (the “first test”) or (2) the amount appropriated in the prior year adjusted for changes in the cost of living (measured as in Article XIII B by reference to per capita personal income) and enrollment (the “second test”). Under Proposition 111, K-14 school districts will receive the greater of (1) the first test, (2) the second test, or (3) a third test, which will replace the second test in any year when growth in per capita State general fund revenues from the prior year is less than the annual growth in California per capita personal income. Under the third test, K-14 school districts will

receive the amount appropriated in the prior year adjusted for change in enrollment and per capita State general fund revenues, plus an additional small adjustment factor. If the third test is used in any year, the difference between the third test and the second test will become a “credit” to schools which will be paid in future years when State general fund revenue growth exceeds personal income growth.

Proposition 39

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

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

Jarvis v. Connell

On May 29, 2002, the California Court of Appeal for the Second District decided the case of *Howard Jarvis Taxpayers Association, et al. v. Kathleen Connell* (as Controller of the State of California). The Court of Appeal held that either a final budget bill, an emergency appropriation, a self-executing authorization pursuant to State statutes (such as continuing appropriations) or the California Constitution or a federal mandate is necessary for the State Controller to disburse funds. The foregoing requirement could apply to amounts budgeted by the District as being received from the State. To the extent the holding in such case would apply to State payments reflected in the District’s budget, the requirement that there be either a final budget bill or an emergency appropriation may result in the delay of such payments to the District if such required legislative action is delayed, unless the payments are self-executing authorizations or are subject to a federal mandate. On May 1, 2003, the California Supreme Court upheld the holding of the Court of Appeal, stating that the Controller is not authorized under State law to disburse funds prior to the enactment of a budget or other proper appropriation, but under federal law, the Controller is required, notwithstanding a budget impasse and the limitations imposed by State law, to timely pay those State

employees who are subject to the minimum wage and overtime compensation provisions of the federal Fair Labor Standards Act.

Proposition 1A and Proposition 22

On November 2, 2004, California voters approved Proposition 1A, which amends the State Constitution to significantly reduce the State's authority over major local government revenue sources. Under Proposition 1A, the State cannot (i) reduce local sales tax rates or alter the method of allocating the revenue generated by such taxes, (ii) shift property taxes from local governments to schools or community colleges, (iii) change how property tax revenues are shared among local governments without two-third approval of both houses of the Legislature or (iv) decrease Vehicle License Fee revenues without providing local governments with equal replacement funding. Proposition 1A does allow the State to approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county. Proposition 1A also amends the State Constitution to require the State to suspend certain State laws creating mandates in any year that the State does not fully reimburse local governments for their costs to comply with the mandates. This provision does not apply to mandates relating to schools or community colleges or to those mandates relating to employee rights.

Proposition 22, The Local Taxpayer, Public Safety, and Transportation Protection Act, approved by the voters of the State on November 2, 2010, prohibits the State from enacting new laws that require redevelopment agencies to shift funds to schools or other agencies and eliminates the State's authority to shift property taxes temporarily during a severe financial hardship of the State. In addition, Proposition 22 restricts the State's authority to use State fuel tax revenues to pay debt service on state transportation bonds, to borrow or change the distribution of state fuel tax revenues, and to use vehicle license fee revenues to reimburse local governments for state mandated costs. Proposition 22 impacts resources in the State's general fund and transportation funds, the State's main funding source for schools and community colleges, as well as universities, prisons and health and social services programs. According to an analysis of Proposition 22 submitted by the Legislative Analyst's Office (the "LAO") on July 15, 2010, the expected reduction in resources available for the State to spend on these other programs as a consequence of the passage of Proposition 22 was expected to be approximately \$1 billion in fiscal year 2010-11, with an estimated immediate fiscal effect equal to approximately 1 percent of the State's total general fund spending. The longer-term effect of Proposition 22, according to the LAO analysis, was expected to be an increase in the State's general fund costs by approximately \$1 billion annually for several decades.

Proposition 30 and Proposition 55

On November 6, 2012, voters of the State approved the Temporary Taxes to Fund Education, Guaranteed Local Public Safety Funding, Initiative Constitutional Amendment (also known as "Proposition 30"), which temporarily increased the State Sales and Use Tax and personal income tax rates on higher incomes. For personal income taxes imposed beginning in the taxable year commencing January 1, 2012 and ending December 31, 2018, Proposition 30 increases the marginal personal income tax rate by: (i) 1% for taxable income over \$250,000 but less than \$300,001 for single filers (over \$500,000 but less than \$600,001 for joint filers and over \$340,000 but less than \$408,001 for head-of-household filers), (ii) 2% for taxable income over \$300,000 but less than \$500,001 for single filers (over \$600,000 but less than \$1,000,001 for joint filers and over \$408,000 but less than \$680,001 for head-of-household filers), and (iii) 3% for taxable income over \$500,000 for single filers (over \$1,000,000 for joint filers and over \$680,000 for head-of-household filers).

The California Children's Education and Health Care Protection Act of 2016 (also known as "Proposition 55") is a constitutional amendment approved by the voters of the State on November 8, 2016. Proposition 55 extends the increases to personal income tax rates for high-income taxpayers that were

approved as part of Proposition 30 through 2030. Proposition 55 did not extend the temporary State Sales and Use Tax rate increase enacted under Proposition 30, which expired as of January 1, 2017.

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

Proposition 2

On November 4, 2014, voters approved the Rainy Day Budget Stabilization Fund Act (also known as “Proposition 2”). Proposition 2 is a legislatively-referred constitutional amendment which makes certain changes to State budgeting practices, including substantially revising the conditions under which transfers are made to and from the State’s Budget Stabilization Account (the “BSA”) established by the California Balanced Budget Act of 2004 (also known as Proposition 58).

Under Proposition 2, and beginning in fiscal year 2015-16 and in each fiscal year thereafter, the State will generally be required to annually transfer to the BSA an amount equal to 1.5% of estimated State general fund revenues (the “Annual BSA Transfer”). Supplemental transfers to the BSA (a “Supplemental BSA Transfer”) are also required in any fiscal year in which the estimated State general fund revenues that are allocable to capital gains taxes exceed 8% of the total estimated general fund tax revenues. Such excess capital gains taxes—net of any portion thereof owed to K-14 school districts pursuant to Proposition 98—will be transferred to the BSA. Proposition 2 also increases the maximum size of the BSA to an amount equal to 10% of estimated State general fund revenues for any given fiscal year. In any fiscal year in which a required transfer to the BSA would result in an amount in excess of the 10% threshold, Proposition 2 requires such excess to be expended on State infrastructure, including deferred maintenance.

For the first 15-year period ending with the 2029-30 fiscal year, Proposition 2 provides that half of any required transfer to the BSA, either annual or supplemental, must be appropriated to reduce certain State liabilities, including making certain payments owed to K-14 school districts, repaying State interfund borrowing, reimbursing local governments for State mandated services, and reducing or prefunding accrued liabilities associated with State-level pension and retirement benefits. Following the initial 15-year period, the Governor and the Legislature are given discretion to apply up to half of any required transfer to the BSA to the reduction of such State liabilities. Any amount not applied towards such reduction must be transferred to the BSA or applied to infrastructure, as described above.

Proposition 2 changes the conditions under which the Governor and the Legislature may draw upon or reduce transfers to the BSA. The Governor does not retain unilateral discretion to suspend transfers to the BSA, nor does the Legislature retain discretion to transfer funds from the BSA for any reason, as

previously provided by law. Rather, the Governor must declare a “budget emergency,” defined as an emergency within the meaning of Article XIII B of the California Constitution or a determination that estimated resources are inadequate to fund State general fund expenditures, for the current or ensuing fiscal year, at a level equal to the highest level of State spending within the three immediately preceding fiscal years. Any such declaration must be followed by a legislative bill providing for a reduction or transfer. Draws on the BSA are limited to the amount necessary to address the budget emergency, and no draw in any fiscal year may exceed 50% of the funds on deposit in the BSA unless a budget emergency was declared in the preceding fiscal year.

Proposition 2 also requires the creation of the Public School System Stabilization Account (the “PSSSA”) into which transfers will be made in any fiscal year in which a Supplemental BSA Transfer is required (as described above). Such transfer will be equal to the portion of capital gains taxes above the 8% threshold that would otherwise be paid to K-14 school districts as part of the minimum funding guarantee. A transfer to the PSSSA will only be made if certain additional conditions are met, as follows: (i) the minimum funding guarantee was not suspended in the immediately preceding fiscal year, (ii) the operative Proposition 98 formula for the fiscal year in which a PSSSA transfer might be made is “Test 1,” (iii) no maintenance factor obligation is being created in the budgetary legislation for the fiscal year in which a PSSSA transfer might be made, (iv) all prior maintenance factor obligations have been fully repaid, and (v) the minimum funding guarantee for the fiscal year in which a PSSSA transfer might be made is higher than the immediately preceding fiscal year, as adjusted for ADA growth and cost of living. Proposition 2 caps the size of the PSSSA at 10% of the estimated minimum guarantee in any fiscal year, and any excess funds must be paid to K-14 school districts. Reductions to any required transfer to the PSSSA, or draws on the PSSSA, are subject to the same budget emergency requirements described above. However, Proposition 2 also mandates draws on the PSSSA in any fiscal year in which the estimated minimum funding guarantee is less than the prior year’s funding level, as adjusted for ADA growth and cost of living.

SB 858. Senate Bill 858 (“SB 858”) became effective upon the passage of Proposition 2. SB 858 includes provisions which could limit the amount of reserves that may be maintained by a school district in certain circumstances. Under SB 858, in any fiscal year immediately following a fiscal year in which the State has made a transfer into the PSSSA, 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 ADA 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 ADA 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 ADA of less than 400,000, is required to maintain a reserve for economic uncertainty in an amount equal to 3% of its general fund expenditures and other financing uses.

SB 751. Senate Bill 751 (“SB 751”), enacted on October 11, 2017, alters the reserve requirements imposed by SB 858. Under SB 751, in a fiscal year immediately after a fiscal year in which the amount of moneys in the PSSSA 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.

Proposition 51

The Kindergarten Through Community College Public Education Facilities Bond Act of 2016 (also known as Proposition 51) is a voter initiative that was approved by voters on November 8, 2016. Proposition 51 authorizes the sale and issuance by the State of \$9 billion in general obligation bonds for the new construction and modernization of K-14 facilities.

K-12 School Facilities. Proposition 51 includes \$3 billion for the new construction of K-12 facilities and an additional \$3 billion for the modernization of existing K-12 facilities. K-12 school districts will be required to pay for 50% of the new construction costs and 40% of the modernization costs with local revenues. If a school district lacks sufficient local funding, it may apply for additional State grant funding, up to 100% of the project costs. In addition, a total of \$1 billion will be available for the modernization and new construction of charter school facilities (\$500 million) and technical education facilities (\$500 million). Generally, 50% of modernization and new construction project costs for charter school and technical education facilities must come from local revenues. However, school districts or charter schools that cannot cover their local share for these two types of projects may apply for State loans. State loans must be repaid over a maximum of 30 years for charter school facilities and 15 years for career technical education facilities. For career technical education facilities, State grants are capped at \$3 million for a new facility and \$1.5 for a modernized facility. Charter schools must be deemed financially sound before project approval.

Community College Facilities. Proposition 51 includes \$2 billion for community college district facility projects, including buying land, constructing new buildings, modernizing existing buildings, and purchasing equipment. In order to receive funding, community college districts must submit project proposals to the Chancellor of the community college system, who then decides which projects to submit to the Legislature and Governor based on a scoring system that factors in the amount of local funds contributed to the project. The Governor and Legislature will select among eligible projects as part of the annual state budget process.

The District makes no representation that it will either pursue or qualify for Proposition 51 State facilities funding.

Future Initiatives

Article XIII A, Article XIII B, Article XIII C and Article XIII D of the California Constitution and Propositions 22, 26, 30, 39, 51, 55, and 98 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. The nature and impact of these measures cannot be anticipated by the District.

State Budget Measures

The following information concerning the State's budgets has been obtained from publicly available information which the District believes to be reliable; however, the District does not guarantee the accuracy or completeness of this information and has not independently verified such information. Furthermore, it should not be inferred from the inclusion of this information herein that the principal of or interest on the Bonds is payable from the general fund of the District. The Bonds are payable solely from

the proceeds of an ad valorem property tax required to be levied by the County in an amount sufficient for the payment thereof.

2020-21 State Budget. On June 29, 2020, the Governor signed into law the State budget for fiscal year 2020-21 (the “2020-21 Budget”). The following information is drawn from the DOF’s and LAO’s summaries of the 2020-21 Budget.

As with the Governor’s May revision (the “May Revision”) to the proposed State budget for fiscal year 2020-21, the 2020-21 Budget acknowledged that the rapid onset of COVID-19 had an immediate and severe impact on the State’s economy. The ensuing recession caused significant job losses, precipitous drops in family and business income, and exacerbated inequality. The 2020-21 Budget included a number of measures intended to address a projected deficit of \$54.3 billion identified by the May Revision, and occasioned principally by declines in the State’s three main tax revenues (personal income, sales and use, and corporate). The measures included in the 2020-21 Budget, and described below, were intended to close this deficit and set aside \$2.6 billion in the State’s traditional general fund reserve, including \$716 million for the State to respond to the changing conditions of the COVID-19 pandemic:

- *Draw Down of Reserves* – The 2020-21 Budget drew down \$8.8 billion in total State reserves, including \$7.8 billion from the BSA, \$450 million from the Safety Net Reserve and all funds in the PSSSA.
- *Triggers* – The 2020-21 Budget included \$11.1 billion in reductions and deferrals that would have been restored if at least \$14 billion in federal funds were received by October 15, 2020. If the State had received less than this amount, reductions and deferrals were to be partially restored. The triggers included \$6.6 billion in deferred spending on education, \$970 million in funding for the California State University and University of California systems, \$2.8 billion in State employee compensation and \$150 million for courts, as well as funding for various other State programs. The triggers would also have funded an additional \$250 million for county programs to backfill revenue losses. Such federal funds, however, were not received by the October 15 date identified in the 2020-21 Budget. The District can make no representation as to whether such federal funds will be received or in what amount. See “– Future Actions and Events” herein.
- *Federal Funds* – The 2020-21 Budget relied on \$10.1 billion in federal funds allocated to the State, including \$8.1 billion of which had already been received as of the passage of the 2020-21 Budget. This relief included a temporary increase in the federal government’s share of Medicaid costs, a portion of the State’s Coronavirus Relief Fund allocation pursuant to the CARES Act and federal funds provided for childcare programs.
- *Borrowing/Transfers/Deferrals* – The 2020-21 Budget relied on \$9.3 billion in special fund borrowing and transfers, as well as deferrals to K-14 education discussed further herein. Approximately \$900 million of special fund borrowing was associated with reductions to State employee compensation and was to be subject to the triggers discussed above.
- *Increased Revenues* – The 2020-21 Budget temporarily suspended for three years net operating loss tax deductions for medium and large businesses and limited business tax credits, with an estimated increase in tax revenues of \$4.3 billion in fiscal year 2020-21.
- *Cancelled Expansions, Updated Assumptions and Other Measures* – The 2020-21 Budget included an additional \$10.6 billion of measures, including cancelling multiple programmatic expansions, anticipated governmental efficiencies, higher ongoing revenues above the forecast

included in the May Revision, and lower health and human services caseload costs than assumed by the May Revision.

For fiscal year 2019-20, the 2020-21 Budget projected total general fund revenues and transfers of \$137.6 billion and authorized expenditures of \$146.9 billion. The State was projected to end the 2019-20 fiscal year with total available general fund reserves of \$17 billion, including \$16.1 billion in the BSA and \$900 million in the Safety Net Reserve Fund. For fiscal year 2020-21, the 2020-21 Budget projected total general fund revenues and transfers of \$137.7 billion and authorized expenditures of \$133.9 billion. The State was projected to end the 2020-21 fiscal year with total available general fund reserves of \$11.4 billion, including \$2.6 billion in the traditional general fund reserve (of which \$716 million is earmarked for COVID-related responses), \$8.3 billion in the BSA and \$450 million in the Safety Net Reserve Fund.

As a result of the projected reduction of State revenues occasioned by the COVID-19 pandemic, the 2020-21 Budget estimated that the Proposition 98 minimum funding guarantee for fiscal year 2020-21 would be \$70.1 billion, approximately \$10 billion below the revised prior-year funding level. For K-12 school districts, this would have resulted in per-pupil spending in fiscal year 2020-21 of \$10,654, a reduction of \$1,339 from the prior year.

The 2020-21 Budget proposed several measures intended to ameliorate the immediate impact of State revenue declines, and avoid a permanent decline in education funding:

- *Local Control Funding Formula* – The 2020-21 Budget provided for \$1.9 billion in LCFF apportionment deferrals for fiscal year 2019-20. The deferrals increased to \$11 billion in fiscal year 2020-21, which was to result in LCFF funding remaining at 2019-20 levels in both years. The 2020-21 Budget also suspended the statutory COLA in fiscal 2020-21. Of the total deferrals, \$5.8 billion were to be triggered off in fiscal year 2020-21 if sufficient federal funding for this purpose was received. Such federal funds, however, were not received by the October 15 date identified in the 2020-21 Budget. The District can make no representation as to whether such federal funds will be received or in what amount. See “– Future Actions and Events” herein.
- *Learning Loss Mitigation* – The 2020-21 Budget included a one-time investment of \$5.3 billion (\$4.75 billion in CARES Act funding and \$539.9 million in Proposition 98 funding) to local educational agencies to address learning losses related to COVID-19 school closures. Of these funds, \$2.9 billion was to be allocated based on LCFF supplemental and concentration grant allocations, \$1.5 billion based on the number of students with exceptional needs, and \$979.8 million based on total LCFF allocations.
- *Supplemental Appropriations* – The 2020-21 Budget provided for a new, multi-year payment obligation to supplement K-14 education funding. The total obligation would equal approximately \$12.4 billion, and reflected the administration’s estimate of the additional funding K-14 school districts would have received in the absence of COVID-19-related reductions. Under this proposal the State will make annual payments toward this obligation beginning in fiscal year 2021-22. These payments would equal 1.5% of State general fund revenue. The 2020-21 Budget also increased the share of State general fund revenue required to be spent on K-14 school districts from 38% to 40% by fiscal year 2023-24.
- *CalSTRS/CalPERS* – The 2020-21 Budget redirected \$2.3 billion in funds previously appropriated for prefunding CalSTRS and CalPERS liabilities, and instead applied them to further reduce local educational agency contribution rates for such programs in fiscal years 2020-21 and 2021-22. This reduced CalSTRS employer rates to 16.15% in fiscal year 2020-21 and 16.02% in fiscal year 2021-22. CalPERS employer rates would be reduced to 20.7% in fiscal year 2020-21 and 22.84% in

fiscal year 2021-22. See also “DISTRICT FINANCIAL INFORMATION – State Retirement Systems” herein.

- *Federal Funds* – In addition to the CARES Act funding previously discussed, the 2020-21 Budget appropriated \$1.6 billion in federal Elementary and Secondary School Emergency Relief funds awarded to the State. Of this amount, approximately \$1.5 billion was to be allocated to local educational agencies in proportion to the amount of federal Title I-A funding such agencies receive, to be used for COVID-19 related costs. The remaining amount was to be allocated to state-level activities.
- *Temporary Revenue Increases* – As discussed above, as part of closing the State’s projected deficit, the 2020-21 Budget provided for a temporary revenue increase of approximately \$4.3 billion in fiscal year 2020-21, of which approximately \$1.6 billion counted towards the Proposition 98 funding guarantee.

Other significant features of K-12 education funding in the 2020-21 Budget included the following:

- *Special Education* – The 2020-21 Budget increased special education base rates to \$625 per pupil, and provided \$100 million to increase funding for students with low-incidence disabilities.
- *Average Daily Attendance* – The 2020-21 Budget provided for a hold-harmless for calculating apportionments in fiscal year 2020-21. ADA will be based on the 2019-20 year, except for new charter schools commencing instruction in fiscal year 2020-21. The 2020-21 Budget also provided an exemption for local educational agencies from certain annual minimum instructional minute requirements, and included requirements for distance learning to ensure that, in the absence of in-person instruction, students continue to receive access to quality education.
- *LCAPs* – In April of 2020, the Governor issued an executive order allowing local educational agencies to submit their LCAP (as defined herein) for fiscal year 2020-21 in December, in lieu of the usual July 1 deadline. Recognizing that federal relief funds needed to be expended on an accelerated timeline, and to ensure transparency, the 2020-21 Budget replaced the December LCAP with a Learning Continuity and Attendance Plan to be completed by September 30, 2020. The 2020-21 Budget required the State Superintendent of Public Instruction to develop a template of this plan for use by local educational agencies which included a description of how such agencies would provide continuity of learning during the pandemic, expenditures related to addressing the impacts of the pandemic, and how such agencies increased or improved services in proportion to concentration funding received under the LCFF.
- *Employee Protections* – The 2020-21 Budget suspended school districts’ window to lay off teachers and other non-administrative certificated staff, which typically runs from the time the budget is approved by the Legislature to August 15. The 2020-21 Budget also suspended layoffs of classified staff working in transportation, nutrition and custodial services from July 1, 2020 through June 30, 2021.

For additional information regarding the 2020-21 Budget, see the DOF website at www.dof.ca.gov and the LAO website at www.lao.ca.gov. However, the information presented on such websites is not incorporated herein by reference.

Proposed Fiscal Year 2021-22 Budget. On January 8, 2021, the Governor released his proposed State budget for fiscal year 2021-22 (the “Proposed 2021-22 Budget”). The information below is drawn from the DOF and LAO summaries of the Proposed 2021-22 Budget.

The Proposed 2021-22 Budget indicates that, since the adoption of the 2020-21 Budget, the administration’s economic forecast and revenue projections have significantly improved, driven in large part by a rebound in the stock market and an attendant growth in capital gains tax revenues. However, the Proposed 2021-22 Budget acknowledges that the risks to the revenue forecast remain higher than usual, and economic inequality has intensified since the beginning of the COVID-19 pandemic. The Proposed 2021-22 Budget acknowledges that the State is currently in the midst of a second and more serious wave of COVID-19 infections, but that federally-approved COVID-19 vaccines are arriving to assist the recovery from the pandemic.

The Proposed 2021-22 Budget indicates that the revenue forecast was finalized prior to the passage of the most recent federal stimulus bill. See “DISTRICT FINANCIAL INFORMATION – Considerations Regarding COVID-19” herein. Of the almost \$900 billion in federal funding that was approved, the Proposed 2021-22 Budget identifies approximately \$106 billion allocable to the State, including \$42.4 billion in direct assistance to individuals and families (including \$38.3 billion in unemployment benefits and direct payments), \$2.2 billion for COVID-19 testing, tracing and vaccine distribution, \$700 million for health and mental health services, \$50.1 billion in business and transportation support, and \$10.1 billion for education. The Governor’s May revision to the Proposed 2021-22 Budget will include a revised revenue forecast that will reflect this federal assistance. The Proposed 2021-22 Budget also acknowledges that further federal relief will be critical to assisting individuals and businesses survive and recover from the pandemic.

For fiscal year 2020-21, the Proposed 2021-22 Budget projects total general fund revenues and transfers of \$168.1 billion and expenditures of \$156 billion. The State is projected to end the 2020-21 fiscal year with total available general fund reserves of approximately \$22.7 billion, including \$9 billion in the traditional State reserve, \$12.5 billion in the BSA, \$747 million in the PSSSA and \$450 million in the Safety Net Reserve Fund. For fiscal year 2021-22, the Proposed 2021-22 Budget projects total general fund revenues and transfers of \$170.6 billion, and authorizes expenditures of \$164.5 billion. The State is projected to end the 2021-22 fiscal year with total available general fund reserves of approximately \$22 billion, including \$2.9 billion in the traditional general fund reserve, \$15.6 billion in the BSA, \$3 billion in the PSSSA and \$450 million in the Safety Net Reserve Fund. As a result of the projected year-end balance in the PSSSA, school district reserve caps would be triggered in fiscal year 2022-23 under the provisions of SB 858 and SB 751. See also “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 2” herein.

In recognition of the need to address the various impacts of the COVID-19 pandemic, the Proposed 2021-22 Budget includes a package of measures intended to be implemented through legislative action earlier than the traditional State budget timeline. For immediate action in January, this package includes \$3 billion in direct support for small businesses and low income earners (the latter principally through an income tax refund) and \$2 billion to support the re-opening of K-12 schools (as further described herein). For early action in the spring, the package includes \$4.6 billion in instructional support for K-14 school districts, \$973 million in jobs and workforce training, \$561 million in environmental sustainability measures and \$262 million in housing and homelessness-related measures.

As a result of the expected increases in State general fund revenues, the Proposed 2021-22 Budget sets the Proposition 98 minimum funding guarantee for fiscal year 2021-22 at \$85.8 billion, including \$60.8 billion from the State general fund. This represents a year-to-year increase of \$14.9 billion (or 21%) over the level included in the 2020-21 Budget. With respect to K-12 education, the minimum funding guarantee

is set at \$75.9 billion. The Proposed 2021-22 Budget also makes retroactive increases to the minimum funding guarantee in fiscal years 2019-20 and 2020-21 of \$1.9 billion and \$11.9 billion, respectively, due almost exclusively to increases in allocable general fund revenues in those years. As a result of these revisions, total per-pupil expenditures for K-12 education are projected to be \$18,837 in fiscal year 2020-21 and \$18,000 in fiscal year 2021-22. The year-to-year decrease reflects a significant allocation of one-time federal funding in fiscal year 2020-21. Ongoing per-pupil spending from Proposition 98 funding is \$12,648 in fiscal year 2021-22, an increase of \$1,994 from the level provided in the 2020-21 Budget.

Other significant features of K-12 education funding include the following:

- *Re-opening Schools* – \$2 billion in one-time Proposition 98 funding available beginning in February 2021 to augment resources for local educational agencies to resume safe, in-person instruction. Funding will be available on a per-pupil basis for all county schools, school districts and charter schools (with the exception of non-classroom based charter schools and independent study programs) that continue or commence in-person instruction by set dates. Specifically, all such educational agencies that continue or resume instruction (i) by February 16, 2021 for all transitional Kindergarten through 2nd grade students, disabled students, foster and homeless youth, and students without access to technology or high-speed internet, and (ii) by March 15, 2021 for all 3rd grade students, will be eligible for base grants starting at \$450 and increasing to more than \$700 per pupil for schools with higher enrollments of EL/LI students. Schools with later start dates will qualify for proportionally lower base grants, except those schools in counties with high rates of COVID-19 community spread. Schools in counties with high rates of community spread will be eligible for the full February grant amount if they re-open for instruction pursuant to State and local health guidance. Funds may be used for any purpose that supports instruction, including enhancing and expanding COVID-19 testing, personal protective equipment, improving ventilation and the safety of indoor and outdoor spaces, teacher and staff salaries for those providing and supporting in-person instruction, and social and mental health supportive services. See also “– Assembly Bill 86” herein.
- *Local Control Funding Formula* – \$64.5 billion in total LCFF funding, including an allocation to fund a combined COLA of 3.84%. This reflects both the 2.31% COLA that would have been due in fiscal year 2020-21, and which was suspended by the 2020-21 Budget, and a 1.5% adjustment for fiscal year 2021-22. With few exceptions, the Proposed 2021-22 Budget assumes in-person instruction in fiscal year 2021-22, and accordingly does not provide a ADA hold-harmless for purposes of calculating apportionments. However, because of the hold-harmless provided for fiscal year 2020-21 by the prior year’s budgetary legislation, local educational agencies that experience enrollment declines in fiscal year 2021-22 will retain the ability to receive apportionments based on the higher of their 2019-20 or 2020-21 ADA. The Proposed 2021-22 Budget also provides an increase of \$10.2 million in ongoing Proposition 98 funding to reflect a 1.5% COLA for county offices of education.
- *Categorical Programs* – An increase of \$85.7 million in ongoing Proposition 98 funding to reflect a 1.5% COLA for categorical programs which remain outside of the LCFF.
- *Deferrals* – The 2020-21 Budget deferred approximately \$12.5 billion in payments to K-14 school districts. The Proposed 2021-22 Budget would pay down \$8.4 billion of this amount, with districts receiving the associated cash in fiscal year 2021-22. Approximately \$4 billion would remain deferred from fiscal year 2021-22 to fiscal year 2022-23.
- *Supplemental Payment* – The 2020-21 Budget provided for a new, multi-year payment obligation to avoid a permanent decline in K-14 education funding as a result of then-projected

reductions in available revenues. The Proposed 2021-22 Budget would eliminate this supplemental payment obligation in its entirety, but would fund a one-time payment in fiscal year 2021-22.

- *Educator and Professional Development* – \$315.3 million to develop quality training in high-need areas and provide timely access to training. The Proposed 2021-22 Budget also includes \$225 million to improve the State’s teacher pipeline, including providing grants to students enrolled in teacher preparation programs, support for clinical teacher preparation programs and grants to recruit non-certificated school employees.
- *Community Schools* – \$264.9 million in one-time Proposition 98 funding to expand networks of community schools and establish new community schools, which typically integrate health, mental health and other services for students and families and provide these services directly on school campuses.
- *Learning Loss Mitigation* – \$4.6 billion in one-time Proposition 98 funding to facilitate targeted interventions by local educational agencies that focus on student achievement and well-being most affected by COVID-19 related disruptions to educational learning, including interventions with low-income families, English-learners and foster and homeless youth. See also “– Assembly Bill 86” herein.
- *Federal Funds* – As a result of recent federal stimulus legislation, the Proposed 2021-22 Budget estimates that the State could receive more than \$6 billion for the Elementary and Secondary Schools Emergency Relief Fund and \$400 million for the Governor’s Emergency Education Relief Fund. These funds are expected to assist schools in reopening and remaining open for in-person instruction.
- *Proposition 51* – The Kindergarten Through Community College Public Education Facilities Bond Act of 2016 (also known as Proposition 51) is a voter initiative approved at the November 8, 2016 election that authorizes the sale and issuance of \$9 billion in State general obligation bonds for the new construction and modernization of K-14 facilities. The Proposed 2020-21 Budget allocates \$1.5 billion of such bond funds for K-12 school facility projects.

For additional information regarding the 2020-21 Budget and the Proposed 2021-22 Budget, see the DOF website at www.dof.ca.gov and the LAO website at www.lao.ca.gov. However, the information presented on such websites is not incorporated herein by reference.

Assembly Bill 86. On March 4, 2021, the Governor signed into law Assembly Bill 86 (“AB 86”), urgency legislation which provides approximately \$6.6 billion to accelerate the return of in-person school instruction and expand student support. Specifically, AB 86 provides \$2 billion for in-person instruction grants to local educational agencies (with the exception of non-classroom based charter schools and independent study programs) that can be used for, among other things, personal protective equipment, ventilation upgrades and COVID-19 testing. To qualify for the funding, local educational agencies will be required to offer in-person instruction for Kindergarten through second grade, and all grades levels for high-need students, by March 31, 2021, losing 1% of eligible funds for every day thereafter if they do not. Schools in the Blueprint’s red, orange or yellow tiers are required to offer in-person instruction to all elementary grades and at least one middle or high school grade or risk losing the same amount of funding. Local educational agencies will forfeit eligibility for all funding if they do not resume in-person instruction by May 15, 2021. Funding will be allocated proportionally on the basis of LCFE funding entitlements, determined as of the 2020-21 second principal apportionment certification.

The remaining \$4.6 billion is allocated for supplemental instruction and support for social and emotional well-being. Schools will be able to use the funds for, among other things, providing more instructional time (including summer school), tutoring, learning recovery programs, mental health services, access to school meal programs, programs to address pupil trauma and supports for credit-deficient students. Funding will be allocated proportionally on the basis of LCFF funding entitlements, determined as of the 2020-21 second principal apportionment certification. Local educational agencies will also receive an additional \$1,000 for each homeless pupil enrolled in the 2020-21 fiscal year.

AB 86 also codifies several State programs that support the safe re-opening of schools, including (i) setting aside 10% of available vaccines for education workers, (ii) COVID-19-related data reporting requirements, and (iii) additional funding for the State's "Safe Schools Team," which provides technical assistance and oversight to schools that experience COVID-19 outbreaks.

Future Actions and Events. The District cannot predict what additional actions will be taken in the future by the Legislature and the Governor to address changing State revenues and expenditures. The District also cannot predict the impact such actions will have on State revenues available in the current or future years for education. The State budget will be affected by national and State economic conditions and other factors over which the District will have no control. Certain actions or results could produce a significant shortfall of revenue and cash, and could consequently impair the State's ability to fund schools. The COVID-19 pandemic has already resulted in significant negative economic effects at State and federal levels, and additional negative economic effects are possible, each of which could negatively impact anticipated State revenue levels. In addition, the pandemic could also result in higher State expenditures, of both a direct nature (such as those related to managing the outbreak) and an indirect nature (such as higher public usage of need-based programs resulting from unemployment or disability). See "DISTRICT FINANCIAL INFORMATION – Considerations Regarding COVID-19" herein. The District also cannot predict whether the federal government will provide additional funding in amounts sufficient to offset any of the fiscal impacts of the COVID-19 pandemic described above. State budget shortfalls in future fiscal years may also have an adverse financial impact on the financial condition of the District. However, the obligation to levy *ad valorem* property taxes upon all taxable property within the District for the payment of principal of and interest on the Bonds would not be impaired.

REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION

The District's boundaries include all portions of the Cities of Encinitas, Del Mar, and Solana Beach, portions of the Cities of Carlsbad and San Diego, and a portion of the unincorporated areas of the County. The following economic and demographic information pertains to the Cities of Encinitas, Del Mar and Solana Beach (collectively, the "Cities), the County and the State. Due to the nature of the District's jurisdiction, the economic and demographic information set forth below reflect only a portion of the population and economy within the District's boundaries. Information on the remainder of the District

(i.e., the unincorporated areas) is not available from the sources listed below. The Bonds are general obligations of the District; they are not general obligations of the Cities, the County or the State.

Population

The following table summarizes population estimates of the Cities, County and State for years 2011 through 2020.

**POPULATION
2011 through 2020
Cities of Del Mar, Encinitas and Solana Beach,
San Diego County, and State of California**

<u>Year⁽¹⁾</u>	<u>City of Del Mar</u>	<u>City of Encinitas</u>	<u>City of Solana Beach</u>	<u>County of San Diego</u>	<u>State of California</u>
2011	\$4,195	\$59,992	\$12,965	\$3,125,654	\$37,561,624
2012	4,213	60,531	13,114	3,161,808	37,924,661
2013	4,235	61,011	13,396	3,199,900	38,269,864
2014	4,248	61,367	13,497	3,232,762	38,556,731
2015	4,262	61,777	13,551	3,265,038	38,870,150
2016	4,264	62,026	13,698	3,285,150	39,131,307
2017	4,272	62,151	13,737	3,306,889	39,398,702
2018	4,274	62,180	13,723	3,326,318	39,586,646
2019	4,275	62,096	13,786	3,340,312	39,695,376
2020	4,268	62,183	13,838	3,343,355	39,782,870

⁽¹⁾ As of January 1.

Source: State Department of Finance.

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Personal Income

The following table summarizes 10 years of per capita personal income for the County, State and United States from 2010 through 2019.

PER CAPITA PERSONAL INCOME⁽¹⁾
2010 through 2019
San Diego County, State of California, and United States

<u>Year</u>	<u>San Diego County</u>	<u>State of California</u>	<u>United States</u>
2010	\$44,138	\$44,138	\$40,547
2011	46,531	46,531	42,739
2012	48,315	48,315	44,605
2013	49,525	49,525	44,860
2014	52,214	52,214	47,071
2015	54,822	54,822	49,019
2016	56,506	56,506	50,015
2017	58,380	58,380	52,118
2018	61,147	61,147	54,606
2019	63,729	63,729	56,490

⁽¹⁾ Per capita personal income is the total personal income divided by the total mid-year population estimates of the U.S. Bureau of the Census. All dollar estimates are in current dollars (not adjusted for inflation).

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

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Industry

The District is included in the San Diego-Carlsbad Metropolitan Statistical Area (the "MSA"). The distribution of employment in the MSA is presented in the following table for calendar years 2016 through

2020. These figures are multi county-wide statistics and may not necessarily accurately reflect employment trends within the communities served by the District.

INDUSTRY EMPLOYMENT & LABOR FORCE
2016 through 2020
San Diego-Carlsbad Metropolitan Statistical Area

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total Farm	8,900	8,700	9,300	9,700	9,200
Mining, Logging and Construction	76,600	79,800	84,000	84,300	82,200
Manufacturing:	108,400	109,400	112,300	115,700	113,800
Wholesale Trade	43,700	43,800	43,800	44,000	41,000
Retail Trade	147,500	149,000	148,000	145,800	134,200
Transportation, Warehousing & Utilities	29,700	32,000	33,300	34,300	33,300
Information	23,200	23,400	23,600	23,500	22,100
Financial Activities	73,000	74,600	76,000	76,500	74,300
Professional & Business Services	234,700	239,100	249,000	255,700	247,700
Education & Health Services	198,700	204,300	208,900	216,600	210,200
Leisure & Hospitality	190,400	195,600	199,600	201,700	144,900
Other Services	54,400	55,000	55,500	56,400	44,500
Government	<u>242,200</u>	<u>246,300</u>	<u>248,100</u>	<u>248,600</u>	<u>237,100</u>
Total (all industries)	1,431,500	1,461,000	1,491,500	1,512,900	1,394,500

Note: Items may not add to total due to independent rounding.

Source: California Employment Development Department, Labor Market Information Division. March 2020 Benchmark.

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Employment

The following table summarizes Annual Average Labor Force data for the Cities, County and State during years 2016 through 2020.

CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT
2016 through 2020
City of Del Mar, City of Encinitas, City of Solana Beach,
San Diego County and State of California

<u>Year</u>	<u>Area</u>	<u>Labor Force</u>	<u>Employment</u>	<u>Unemployment</u>	<u>Unemployment Rate (%)</u>
2016	City of Del Mar	2,400	2,300	100	3.2
	City of Encinitas	33,000	31,800	1,300	3.8
	City of Solana Beach	6,900	6,800	100	2.0
	San Diego County	1,563,200	1,489,100	74,100	4.7
	State of California	19,012,000	17,965,400	1,046,600	5.5
2017	City of Del Mar	2,400	2,400	100	2.2
	City of Encinitas	33,100	32,000	1,100	3.3
	City of Solana Beach	7,200	7,000	200	2.1
	San Diego County	1,571,900	1,508,200	63,600	4.0
	State of California	19,173,800	18,246,800	927,000	4.8
2018	City of Del Mar	2,300	2,200	100	2.4
	City of Encinitas	33,100	32,200	900	2.7
	City of Solana Beach	6,900	6,700	100	1.8
	San Diego County	1,579,700	1,526,300	53,400	3.4
	State of California	19,263,900	18,442,400	821,500	4.3
2019	City of Del Mar	2,100	2,100	0	1.8
	City of Encinitas	33,000	32,200	800	2.5
	City of Solana Beach	6,800	6,700	100	1.7
	San Diego County	1,580,100	1,528,300	51,800	3.3
	State of California	19,353,700	18,550,500	803,200	4.2
2020	City of Del Mar	2,000	1,900	100	5.1
	City of Encinitas	31,600	29,400	2,200	7.0
	City of Solana Beach	6,400	6,100	300	5.1
	San Diego County	1,538,400	1,396,500	141,800	9.2
	State of California	18,821,200	16,913,100	1,908,100	10.1

Note: Data is based on annual averages, unless otherwise specified, and is not seasonally adjusted.

Source: U.S. Department of Labor – Bureau of Labor Statistics, California Employment Development Department. March 2020 Benchmark.

Largest Employers

The following tables summarize the largest employers in the Del Mar, Encinitas and the County. Largest employer data for Solana Beach is not available.

**LARGEST EMPLOYERS
City of Del Mar
2020**

<u>Rank</u>	<u>Employer</u>	<u>Employees</u>
1.	Del Mar Thoroughbred Club	45-372
2.	L' Auberge Del Mar Resort Spa	105
3.	Brigantine Seafood Restaurant	89-93
4.	Poseidon Restaurant	63
5.	Il Fornaio	55
6.	Pacifica Del Mar	50
7.	Jake's Del Mar	40
8.	Winston School	32
9.	En Fuego Restaurant	30
10.	Sbica An America Bistro	30

Source: City of Del Mar 'Comprehensive Annual Financial Report' for the year ending June 30, 2020.

**LARGEST EMPLOYERS
City of Encinitas
2020**

<u>Rank</u>	<u>Employer</u>	<u>Employees</u>
1.	Scripps Memorial Hospital	1,017
2.	Paul Ecke Ranch	453
3.	Walmart Supercenter	335
4.	Home Depot	303
5.	Encinitas Union School District	300
6.	YMCA	300
7.	Scripps Rehabilitation	265
8.	Target	250
9.	San Diego Hebrew Homes	220
10.	Objectiva Software Solutions	201

Source: City of Encinitas 'Comprehensive Annual Financial Report' for the year ending June 30, 2020.

LARGEST EMPLOYERS
San Diego County
2020

<u>Employer</u>	<u>Number of Employees</u>
University of California San Diego	35,802
Naval Base San Diego	34,534
Sharp HealthCare	19,468
Scripps Health	16,295
General Atomics Aeronautical Systems, Inc.	6,745
San Diego State University	6,454
Rady Children's Hospital-San Diego	5,711
San Diego Community College District	5,400
Sempra Energy	5,063
YMCA of San Diego County	5,057
Northrop Grumman Corp.	5,000
Palomar Health	4,408
Veterans Affairs San Diego Healthcare System	3,961
Grossmont-Cuyamaca Community College District	3,452
University of San Diego	3,311
General Dynamics NASSCO	3,200
Viasat Inc.	2,753
Tri-City Medical Center	2,153
San Ysidro Health	1,886
California State University San Marcos	1,831

Source: San Diego Business Journal. Some companies or organizations have declined to participate or did not return a survey by press time.

Taxable Sales

The following tables summarize annual taxable sales data in the County and Cities for years 2015 through 2019.

TAXABLE SALES
2015 through 2019
San Diego County
(Dollars in Thousands)

<u>Year</u>	<u>Retail Permits</u>	<u>Retail Stores</u> <u>Taxable Transactions</u>	<u>Total Permits</u>	<u>Total Taxable</u> <u>Transactions</u>
2015	58,740	\$38,521,521	95,480	\$54,717,543
2016	58,391	39,089,506	95,326	55,921,010
2017	59,798	40,371,715	97,412	57,551,360
2018 ⁽¹⁾	59,836	41,886,825	100,674	59,041,042
2019 ⁽¹⁾	59,447	42,748,210	101,901	61,106,480

⁽¹⁾ Preliminary, subject to change.

Source: Taxable Sales in California, California Department of Tax and Fee Administration ("CDTFA") for 2015-19.

**ANNUAL TAXABLE SALES
2015 through 2019
City of Del Mar
(Dollars in Thousands)**

<u>Year</u>	<u>Retail Permits</u>	<u>Retail Stores Taxable Transactions</u>	<u>Total Permits</u>	<u>Total Taxable Transactions</u>
2015	1,208	\$147,715	1,601	\$186,961
2016	1,172	152,595	1,547	193,342
2017	1,175	151,805	1,542	189,789
2018 ⁽¹⁾	1,133	156,656	1,520	191,203
2019 ⁽¹⁾	1,095	145,785	1,478	169,058

⁽¹⁾ Preliminary, subject to change.

Source: *Taxable Sales in California, California Department of Tax and Fee Administration ("CDTFA") for 2015-19.*

**ANNUAL TAXABLE SALES
2015 through 2019
City of Encinitas
(Dollars in Thousands)**

<u>Year</u>	<u>Retail Permits</u>	<u>Retail Stores Taxable Transactions</u>	<u>Total Permits</u>	<u>Total Taxable Transactions</u>
2015	1,830	\$985,983	3,107	\$1,130,941
2016	1,829	977,801	3,098	1,109,799
2017	1,884	1,011,749	3,160	1,148,426
2018 ⁽¹⁾	1,890	1,034,536	3,278	1,182,641
2019 ⁽¹⁾	1,833	1,010,444	3,235	1,164,668

⁽¹⁾ Preliminary, subject to change.

Source: *Taxable Sales in California, California Department of Tax and Fee Administration ("CDTFA") for 2015-19.*

**ANNUAL TAXABLE SALES
2015 through 2019
City of Solana Beach
(Dollars in Thousands)**

<u>Year</u>	<u>Retail Permits</u>	<u>Retail Stores Taxable Transactions</u>	<u>Total Permits</u>	<u>Total Taxable Transactions</u>
2015	507	\$228,380	883	\$259,114
2016	506	238,423	859	268,623
2017	499	240,981	851	275,709
2018 ⁽¹⁾	495	245,582	874	284,633
2019 ⁽¹⁾	493	254,501	873	297,309

⁽¹⁾ Preliminary, subject to change.

Source: *Taxable Sales in California, California Department of Tax and Fee Administration ("CDTFA") for 2015-19.*

Building Activity

The following tables summarize new building permits and valuations in the County and Cities for years 2015 through 2019.

BUILDING PERMITS AND VALUATIONS
2015 through 2019
County of San Diego
(Dollars in Thousands)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>Valuation (\$000s)</u>					
Residential	\$2,447,042	\$2,472,237	\$2,632,826	\$2,673,873	\$2,084,655
Non-residential	<u>1,862,502</u>	<u>1,782,421</u>	<u>2,371,303</u>	<u>1,901,844</u>	<u>2,359,541</u>
Total	\$4,309,544	\$4,254,658	\$5,004,129	\$4,575,717	\$4,444,196
<u>New Housing Units</u>					
Single Units	3,136	2,420	3,960	3,438	3,045
Multiple Units	<u>6,869</u>	<u>7,680</u>	<u>6,056</u>	<u>6,132</u>	<u>4,405</u>
Total	10,005	10,100	10,016	9,570	7,450

Note: Totals may not add due to independent rounding.

Source: *Construction Industry Research Board.*

BUILDING PERMITS AND VALUATIONS
2015 through 2019
City of Del Mar
(Dollars in Thousands)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>Valuation (\$000s)</u>					
Residential	\$12,448	\$6,280	\$12,942	\$12,310	\$15,491
Non-residential	<u>681</u>	<u>14,421</u>	<u>363</u>	<u>1,627</u>	<u>476</u>
Total	\$13,129	\$20,701	\$13,305	\$13,937	\$15,967
<u>New Housing Units</u>					
Single Units	9	5	9	7	9
Multiple Units	<u>2</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>
Total	11	5	11	7	9

Note: Totals may not add to sums because of rounding.

Source: *Construction Industry Research Board.*

BUILDING PERMITS AND VALUATIONS**City of Encinitas
2015 through 2019
(Dollars in Thousands)**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>Valuation (\$000s)</u>					
Residential	\$56,019	\$36,282	\$48,038	\$51,715	\$52,359
Non-residential	<u>9,576</u>	<u>10,481</u>	<u>11,313</u>	<u>21,747</u>	<u>57,369</u>
Total	\$65,595	\$46,763	\$59,351	\$73,462	\$109,728
<u>New Housing Units</u>					
Single Units	149	87	110	148	169
Multiple Units	<u>4</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	153	89	110	148	169

Note: Totals may not add to sums because of rounding.

Source: *Construction Industry Research Board.*

BUILDING PERMITS AND VALUATIONS**City of Solana Beach
2015 through 2019
(Dollars in Thousands)**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>Valuation (\$000s)</u>					
Residential	\$10,664	\$14,588	\$17,425	\$9,550	\$8,772
Non-residential	<u>3,231</u>	<u>3,861</u>	<u>12,581</u>	<u>2,672</u>	<u>3,707</u>
Total	\$13,895	\$18,449	\$30,006	\$12,222	\$12,479
<u>New Housing Units</u>					
Single Units	8	16	20	12	7
Multiple Units	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	10	16	20	12	7

Note: Totals may not add to sums because of rounding.

Source: *Construction Industry Research Board.*

APPENDIX B

**AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR
THE FISCAL YEAR ENDED JUNE 30, 2020**

APPENDIX C

PROPOSED FORMS OF OPINIONS OF BOND COUNSEL

[TO COME]

APPENDIX D**FORM OF CONTINUING DISCLOSURE CERTIFICATE**

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the San Dieguito Union High School District (the “District”) in connection with the issuance of the San Dieguito Union High School District 2021 General Obligation Refunding Bonds (Federally Taxable) (the “Refunding Bonds”), the San Dieguito Union High School District 2021 General Obligation Bonds Series E-1 (Federally Taxable) and Series E-2 (Tax-Exempt) (the “Series E Bonds” and together with the Refunding Bonds, the “Bonds”). The Refunding Bonds are being issued as authorized by resolution adopted by the Board of Trustees of the District on April 22, 2021 (the “Refunding Bonds Resolution”), and in accordance with the terms of a Paying Agent Agreement, dated as of June 1, 2021, by and between the District and the County of San Diego (the “County”), as paying agent (the “Paying Agent”) thereunder. The Series E Bonds are being issued as authorized by resolution adopted by the Board of Trustees of the District on April 22, 2021 (the “Series E Bonds Resolution” and, together with the Refunding Bonds Resolution, the “Resolutions”), and in accordance with the terms of a Paying Agent Agreement, dated as of June 1, 2021, by and between the District and the County, as Paying Agent thereunder.

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 Securities and Exchange Commission Rule 15c2-12(b)(5).

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

“Annual Report” 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 Willdan Financial Services, 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 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>.

“Participating Underwriter” shall mean Piper Sandler & Co., or any other underwriter 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, 2021 (which is due no later than March 31, 2022), provide to 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 Trustee 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).

(c) 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 as Exhibit A.

(d) 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:

- * 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 statement of the District, the Annual Report shall also include the following:

- * Adopted budget of the District for the current fiscal year, or a summary thereof.
- * District average daily attendance.
- * District outstanding debt.
- * Information regarding total assessed valuation of taxable properties within the District, if and to the extent provided to the District by the County.
- * Information regarding total secured tax charges and delinquencies on taxable properties within the District, if and to the extent provided to the District by the County.

Any or all of the items listed above may be set forth in one or a set of documents or may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which 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 in a timely manner not later than ten 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 an obligated person, 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, in a timely manner not later than ten business days after the occurrence of the event:

1. Unless described in paragraph 5(a)(5), other notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other 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 trustee or the change of name of a trustee; or
8. Incurrence of a Financial Obligation of an obligated person, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of an obligated person, any of which affect security holders.

(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 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 subsection (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 applicable Resolution.

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 Willdan Financial Services, 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 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 San Diego 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: June __, 2021

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

By _____
Associate Superintendent,
Business Services

ACKNOWLEDGED AND ACCEPTED:

WILLDAN FINANCIAL SERVICES, INC.

By _____
Authorized Signatory

EXHIBIT A

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

Name of District: SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

Name of Bond Issues: SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
2021 GENERAL OBLIGATION REFUNDING BONDS
(FEDERALLY TAXABLE)

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
2021 GENERAL OBLIGATION BONDS SERIES E-1
(FEDERALLY TAXABLE)

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
2021 GENERAL OBLIGATION BONDS SERIES E-2
(TAX EXEMPT)

Date of Issuance: June __, 2021

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

Dated: _____

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

By _____
Authorized Signatory

APPENDIX E

COUNTY OF SAN DIEGO INVESTMENT POOL

The following information concerning the Treasury Pool of San Diego County (the "Treasury Pool") has been provided by the Treasurer and has not been confirmed or verified by the District or the Underwriter. No representation is made herein as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof, or that the information contained or incorporated hereby by reference is correct as of any time subsequent to its date.

In accordance with Government Code Section 53600 *et seq.*, the Treasurer manages funds deposited with it by the District. The County is required to invest such funds in accordance with California Government Code Sections 53635 *et seq.* In addition, counties are required to establish their own investment policies which may impose limitations beyond those required by the Government Code.

All investments in the Treasurer's investment portfolio conform to the statutory requirements of Government Code Section 53635 *et seq.*, authorities delegated by the County Board of Supervisors and the Treasurer's investment policy.

General

Pursuant to a resolution adopted July 8, 1958, the Board of Supervisors delegated to the County Treasurer the authority to invest and reinvest funds of the County. Applicable law limits this delegation of authority to a one-year period and must be renewed annually by action of the Board of Supervisors. In addition to funds of the County funds of certain local agencies within the County, including school districts in the County, are required under state law to be deposited into County Treasury ("Involuntary Depositors"). In addition, certain agencies, such as cities and special districts, invest certain of their funds in the County Treasury on a voluntary basis ("Voluntary Depositors" and together with the Involuntary Depositors, the "Depositors"). Deposits made by the County and the various local agencies are commingled in a pooled investment fund (the "Treasury Pool" or the "Pool"). No particular deposits are segregated for separate investment.

Under State law, Depositors in the Pool are permitted to withdraw funds which they have deposited on 30 days' notice. The County does not expect that the Pool will encounter liquidity shortfalls based on its current portfolio and investment guidelines or realize any losses that may be required to be allocated among all Depositors in the Pool.

The County has established an Oversight Committee pursuant to State law. The members of the Oversight Committee include the County Treasurer, the County Auditor–Controller, the County Superintendent of Schools or designee, a representative from the special districts, a representative from the school districts and community college districts in the County, and members of the public. The role of the Oversight Committee is to review and approve the Investment Policy that is prepared by the County Treasurer.

The Treasury Pool's Portfolio

As of _____, 2021, the securities in the Treasury Pool had a market value of \$_____ and a book value of \$_____, for a net unrealized gain of \$_____ of the book value of the Treasury Pool.

The effective duration for the Treasury Pool was _____ years as of _____, 2021. “Duration” is a measure of the price volatility of the portfolio and reflects an estimate of the projected increase or decrease in the value of the portfolio based upon a decrease or increase in interest rates. A duration of 1 means that for every one percent increase in interest rates, the market value of the portfolio would decrease by 1%.

As of _____, 2021, approximately ____% of the total funds in the Pool were deposited by Voluntary Depositors, such as cities and fire districts, _____% by community colleges, _____% by the County, _____% by Non-County and _____% by K-12 school districts.

Fitch Ratings maintains ratings of “AAAF” (highest underlying credit quality) and “S1” (very low sensitivity to market risk) on the Pool. The ratings reflect only the view of the rating agency and any explanation of the significance of such ratings may be obtained from such rating agency as follows: Fitch Ratings, Inc., 33 Whitehall Street, New York, New York 10004.

Investments of the Treasury Pool

Authorized Investments: Investments of the Pool are placed in those securities authorized by various sections of the California Government Code, which include obligations of the United States Treasury, Agencies of the United States Government, local and State bond issues, bankers acceptances, commercial paper of prime quality, certificates of deposit (both collateralized and negotiable), repurchase and reverse repurchase agreements, medium term corporate notes, shares of beneficial interest in diversified management companies (mutual funds), asset backed (including mortgage related), pass-through securities, and specific Supranational debt securities.

Legislation which would modify the currently authorized investments and place restrictions on the ability of municipalities to invest in various securities is considered from time to time by the California State Legislature. At all times, the Pool’s investments will comply with California Government Code and the County’s Investment Policy (the “Investment Policy”).

The Investment Policy currently states the primary goals of the County Treasurer when investing public funds to be as follows: the primary objective is to safeguard the principal of the funds under the County Treasurer's control, the secondary objective is to meet the liquidity needs of the Pool Participants, and the third objective is to achieve an investment return on the funds under the control of the County Treasurer within the parameters of prudent risk management. The Investment Policy contains a requirement that at least 35% of the Pool should be invested in securities maturing in one year or less, with the remainder of the portfolio being invested in debt securities with maturities spread over more than one year to five years. Furthermore, at least 15% of the securities must mature within 90 days. The maximum effective duration for the Pool shall be 2.0 years.

Certain Information Relating to Pool

The following table reflects information with respect to the Pool as of the close of business _____, 2021. As described above, a wide range of investments is authorized by state law. Therefore, there can be no assurances that the investments in the Pool will not vary significantly from the investments described below. In addition, the value of the various investments in the Pool will fluctuate on a daily basis as a result of a multitude of factors, including generally prevailing interest rates and other economic conditions. Therefore, there can be no assurance that the values of the various investments in the Pool will not vary significantly from the values described below. In addition, the values specified in the following table were based upon estimates of market values provided to the County by a third party.

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Accordingly, there can be no assurance that if these securities had been sold on _____, 2021, the Pool necessarily would have received the values specified.

[Insert Pool Chart]

APPENDIX F**BOOK-ENTRY ONLY SYSTEM**

The information in this appendix concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but neither the District nor the Underwriter takes any responsibility for the accuracy or completeness thereof. Information presented at any website cited within this section is not incorporated herein by reference. The District cannot and does not give any assurances that DTC, Direct Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) certificates representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "MMI Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

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 3.6 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.

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

accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

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

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

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

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds 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 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and distributions on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from 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 and distributions 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.

DTC may discontinue providing its services as depository with respect to the Bonds 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, Bond certificates are required to be printed and delivered.

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

So long as Cede & Co. is the registered Owner of the Bonds, as nominee of DTC, references herein to the Owners or Holders of the Bonds (other than under the caption "TAX MATTERS") will mean Cede & Co. and will not mean the Beneficial Owners of the Bonds.

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: April 12, 2021

BOARD MEETING DATE: April 22, 2021

PREPARED BY: Cindy Frazee,
Associate Superintendent, Human Resources

SUBMITTED BY: Robert A. Haley, Ed.D., Superintendent

SUBJECT: RESOLUTION DECLARING May 2-8, 2021,
“TEACHER APPRECIATION WEEK”, AND
MAY 4, 2021, “DAY OF THE TEACHER”

EXECUTIVE SUMMARY

On behalf of nearly 620 certificated employees in the San Dieguito Union High School District, this is an opportunity to join other school boards nationwide to honor the important services of the districts’ certificated employees by adopting a resolution declaring May 2-8, 2021, “Teacher Appreciation Week”, and May 4, 2021, “Day of the Teacher”. A resolution is attached for adoption by the Board of Trustees.

RECOMMENDATION:

It is recommended that the Board of Trustees adopt the Resolution declaring May 2-8, 2021, as “Teacher Appreciation Week”, and May 4, 2021, as “Day of the Teacher”, as shown in the attached supplement.

FUNDING SOURCE: N/A

Attachment: Resolution

*San Dieguito Union High School District
Resolution
Teacher Appreciation Week, 2021*

Resolution

*Designating May 2-8, 2021 as "Teacher Appreciation Week"
And May 4, 2021, as "Day of the Teacher"*

WHEREAS, education is the most vital activity that we as a society undertake to ensure the well-being of the nation; and

WHEREAS, education is in large measure the result of the talent and commitment of teachers; and

WHEREAS, teaching is a profession characterized by skill, knowledge, discipline, tenacity and creativity in the delivery of instruction; and

WHEREAS, teachers are a source of caring, concern, counseling, empathy, warmth and love; and

WHEREAS, teachers deserve widespread recognition and gratitude for their performance; and

WHEREAS, teachers in the San Dieguito Union High School District have made a crucial difference in the lives of students in the District;

NOW, THEREFORE, BE IT RESOLVED that the San Dieguito Union High School District Board of Trustees joins with the California Parent Teacher Association in declaring May 2-8, 2021, "Teacher Appreciation Week", and May 4, 2021, "Day of the Teacher."

PASSED AND ADOPTED this 22nd day of April, 2021, at the regular meeting of the Board of Trustees of the San Dieguito Union High School District.

Maureen "Mo" Muir, President

Melisse Mossy, Vice-President

Katrina Young, Trustee

Michael Allman, Trustee

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: April 12, 2021

BOARD MEETING DATE: April 22, 2021

PREPARED BY: Susan Dixon, Director of Classified Personnel
Cindy Frazee, Associate Superintendent, Human Resources

SUBMITTED BY: Robert A. Haley, Ed.D., Superintendent

SUBJECT: **ADOPTION OF RESOLUTION DECLARING
MAY 16 – 22, 2021, “CLASSIFIED SCHOOL
EMPLOYEES WEEK”**

EXECUTIVE SUMMARY

The California State Legislature adopted the third full week in May of each year as Classified School Employees Week by passage of SB 1552 (Campbell) in 1986.

Classified employees include administrative support, clerical, custodial, nutrition service, instructional support, grounds, maintenance, secretarial, technical, transportation, warehouse and many other workers in our District.

On behalf of the more than 400 classified employees in the San Dieguito Union High School District, this is an opportunity to join the State Legislature and other school boards to honor the important services the District receives from its Classified Service by adopting a resolution declaring the week of May 16-22, 2021, as Classified School Employees Week. A resolution is attached for your adoption.

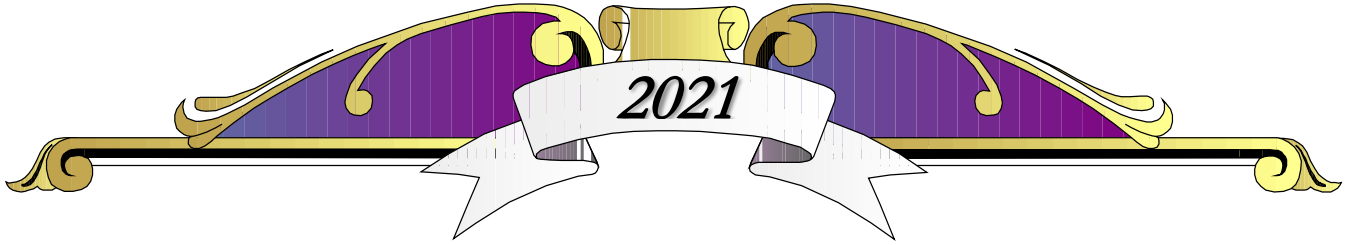
RECOMMENDATION:

It is recommended that the Board adopt the resolution declaring May 16-22, 2021, as “Classified School Employees Week”, as shown in the attached supplement.

FUNDING SOURCE:

N/A

Attachment



SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

RESOLUTION DESIGNATING MAY 16 – 22, 2021 AS
CLASSIFIED SCHOOL EMPLOYEES WEEK

WHEREAS, classified employees serve the people of the community through their work in the San Dieguito Union High School District; and

WHEREAS, classified employees continually assist the San Dieguito Union High School District in its commitment to provide quality educational programs and services to the children, youth and adults in the District; and

WHEREAS, classified employees, individually and collectively, set an exemplary standard of performance and commitment; and

WHEREAS, classified employees provide knowledge, skills, and expertise that are relied upon by staff throughout the organization:

NOW, THEREFORE, BE IT RESOLVED that the San Dieguito Union High School District Board of Trustees expresses its gratitude and commends all classified employees for their service to the San Dieguito Union High School District and joins the California State Legislature in designating the week of May 16 – 22, 2021 as “Classified School Employees Week.”

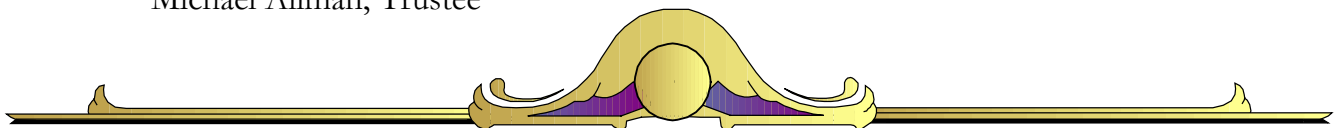
PASSED AND ADOPTED this 22nd day of April 2021, at the regular meeting of the Board of Trustees of the San Dieguito Union High School District.

Maureen “Mo” Muir, President

Melisse Mossy, Vice-President

Katrina Young, Trustee

Michael Allman, Trustee



San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: April 13, 2021

BOARD MEETING DATE: April 22, 2021

PREPARED AND SUBMITTED BY: Robert A. Haley, Ed.D., Superintendent

SUBJECT: ACCEPTANCE OF GIFTS AND DONATIONS

EXECUTIVE SUMMARY

The district administration is requesting acceptance of gifts and donations to the district, as shown on the following report.

RECOMMENDATION:

It is recommended that the Board accept the gifts and donations to the district, as shown on the attached report.

FUNDING SOURCE:

Not applicable

GIFTS AND DONATIONS
SDUHSD BOARD MEETING,
APRIL 22, 2021

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Item #	Donation	Description	Donor	Department	School Site
1	\$254.47	Music Support Costs- Music Coaches	La Costa Canyon High School Foundation	Music	LCCHS
2	\$306.55	English Support Costs- Writing Lab Tutor	San Dieguito Academy Foundation	English	SDA
3	\$5,000.00	Donation- T- Shirts for School Wide Campus Pride Project	San Dieguito Academy Foundation	SDA	SDA
4	\$1,071.48	Music Support Costs- Music Coaches	San Dieguito Academy Music Council	Music	SDA
5	\$287.42	Music Support Costs- Music Coaches	Pacific Trails Middle School Music Foundation	Music	PTMS
6	\$354.57	Music Support Costs- Music Coaches	Diegueño Music Boosters	Music	DNO
7	\$1,121.90	Music Support Costs- Music Coaches	Diegueño Music Boosters	Music	DNO
8	\$1,113.31	Music Support Costs- Music Coaches	Diegueño Music Boosters	Music	DNO
9	\$415.76	Music Support Costs- Music Coaches	Diegueño Music Boosters	Music	DNO
10	\$5,000.00	Donation- Laptop for Graduating Senior; Student Wellness Events	JeanniePursell	SHS	SHS
11	\$5,108.31	Donation- Science Olympiad Sweatshirts	Pacific Trails Middle School PTSA	Science	PTMS
13	\$2,883.64	Donation- School Planners for 2021-22	Oak Crest Middle School PTSA	OCMS	OCMS
14	\$765.00	Donation- For Killn Sand and Clay	Oak Crest Middle School PTSA	Art	OCMS
15	\$243.35	Music Support Costs- Music Coaches	Oak Crest Middle School Music Boosters	Music	OCMS
16	\$856.55	Music Support Costs- Music Coaches	Oak Crest Middle School Music Boosters	Music	OCMS
		*Donated Items:			
	\$24,782.31	Monetary Donations			
	\$0.00	*Value of Donated Items			
	\$24,782.31	TOTAL VALUE			

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: April 16, 2021

BOARD MEETING DATE: April 22, 2021

PREPARED & SUBMITTED BY: Robert A. Haley, Ed.D., Superintendent

SUBJECT: CONSIDERATION OF PROVISIONAL APPOINTMENT OF BOARD MEMBER / TRUSTEE AREA 5

EXECUTIVE SUMMARY

A vacancy exists on the Board in Trustee Area 5. At its March 18 Regular Meeting, the Board took action to consider a provisional appointment during the April 22 Regular Meeting. An application was made available online, which was open through April 16 at 3:00pm. Seven applications were submitted for consideration for the provisional appointment. The applications are attached to the summary.

Jeffrey Adler	Julie Bronstein
Ty Hume	Alan Kholos
David Snodgrass	Vic Wintriss
Lea Wolf	

The process of hearing introductory remarks, Board questioning, and deliberation will take place in open session. The candidates are asked to leave the room during introductory remarks and Board questioning until all candidates have been heard. During deliberations, all candidates will be invited back into the room.

A majority of three votes is required for a provisional appointment to be made.

RECOMMENDATION:

None

FUNDING SOURCE:

N/A

San Dieguito Union High School District Trustee Area 5 Applications

Name

David L Snodgrass

Years of Residence in the San Dieguito Union High School District

6

Describe your educational, professional, volunteer and/or public service background. Please elaborate how your experiences would best qualify you to serve as the Area 5 Trustee?

I hold a BS in Physics with a minor in History and an additional minor in Mathematics, a MS in Physics, and a MS in Electrical Engineering. While in graduate schools I was a teaching assistant and later an adjunct physics professor at the community college in Columbia, SC.

I am a Army National Guard veteran, I enlisted in 1985 while in college and later graduated from officers candidate school in 1990. During my 11 years of service I was an infantry platoon leader.

Upon finishing my second masters degree, I began working for Northrop Grumman in Rolling Meadows, IL. I began as an engineer, moved onto business development and finally into program management. I left Northrop Grumman after 20 years to become an executive with DRS Daylight Solutions here in San Diego. I am the Vice President and deputy General Manager of DRS Daylight Defense. In this role I have overall profit and loss responsible for our defense business in San Diego, managing hundreds of millions of dollars of business. I lead multifunction teams across multiple business units dispersed across multiple states.

Within Area 5, I have volunteered as a Boy Scout leader, a Pop Warner Football Coach and Mustangs rugby coach for both the boys and girls teams. I have had a great deal of interaction with the youth of Area 5. As an active Scout leader, I receive direct feedback from our students on their successes and challenges in our middle and high schools.

I am the executive sponsor for my company's support of the Advanced Engineering Technology class as CCA. Through discussion about high school robotics with Tony Mauro (CCA engineering teacher) in 2018, I learned he was trying set up class to allow students to learn engineering from local companies, a pseudo-internship for high school students. Being a position to commit my company, I volunteered DRS Daylight Solutions to be the lead company for this partnership. We have conducted three successful terms of this program partial completed with the fourth term. In addition to being the executive sponsor, I have been one of the mentoring engineers for the third and fourth term of this class. This has allowed me to have detailed, weekly, interactions with students at CCA.

I also volunteered last fall as on the parents/professionals to review senior projects for 12th grade English at CCA.

In addition to having a strong academic education, I am also have as strong athletic education. While in high school I was not not only on the honor roll, I was a three sport per year varsity lettering athlete. Once leaving public schools I played semi-professional rugby for 17 years, including representation one step below the Olympic level. I am currently an avid sailboat racer.

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I point out my eclectic background and interests to highlight the fact that I have the ability to see the world through multiple lenses. My diversity of backgrounds would be a benefit to the leadership of SDUHSD.

Why do you wish to serve on the Board? Please describe your leadership style and describe your approach to being one of five members of the Board.

I am a direct hands on leader. I have been trained through multiple military and business leadership programs on how to be an effective servant leader. My leadership training harkens back to days a youth where I earned the rank of Eagle Scout.

My ability to find innovative win-win solutions in the business world has prepared me to work well with governing Boards to set and maintain policies and standards. In fact a great deal of my professional life is spent doing the same.

I am a member of many steering committees inside my 6,000 person corporation, where we determine the paths of our business and compliance to laws and regulations.

What qualities do you believe are important for a School Board Member to possess? What skills, abilities, and experiences do you have that would allow you to successfully serve Area 5 and carry out your duties with the other four Trustees?

I believe a School Board Member should, as all leaders must, be open to multiple points of view and opinions, but ultimately has to have the courage of their own convictions to make hard and sometimes unpopular decisions.

As outlined above I have 30 years experience at various levels of leadership and currently serve on several cross business unit teams similar in structure to School Board and supporting administration

Success in such distributed leadership structures requires one to find innovative win-win positions with all members of the leadership team, while not compromising ones principles. I have years of experience doing just that.

Describe your affiliation with SDUHSD. Please list your involvement in activities that demonstrate your understanding and support for public education and SDUHSD.

I have two children, one boy and one girl, that attend Canyon Crest Academy. Prior to that they both attended Pacific Trails MS. One child was on an IEP for ADHD and dyslexia, the other is a gifted honor/AP student. I have experience with both ends of the academic spectrum see in Area 5.

Both of my children are members of the CCA robotics team. This team has regular interactions with the robotics teams of the other three high schools in the district. I have personally volunteered to help judge the annual robotics competitions these teams compete in, along with other schools in the San Diego area.

What do you hope to accomplish? What are your short-term and long-term goals for the district? How would you propose solving some of these issues?

I hope to provide the SDUHSD Board additional leadership in these turbulent fiscally constrained time. I strongly believe we need to return our schools to a normalcy that has been missing over this past year. In order to best educate our children, we need to have them return to a structured, proven, on-campus

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instructional model. I am please that the Board has decided to make on-campus instruction the standard for next year, however, this decision will require staunch support in the next several months.

In the long-term I want to ensure we operate in fiscally responsible manner, investing and divesting resources where required to ensure SDUHSD remains the premier school district in San Diego. Our schools are the bedrock of our community. We must ensure they are strong.

Explain the mission of the San Dieguito Union High School District.

To provide our students with the best possible preparation to become productive members of society. This has to be done by balance multiple competing priorities, but ultimately we must put our students first.

***One page of additional materials may be submitted. You will be required to sign into Google before you can upload a file (PDF only).**

None submitted.

Signature of Applicant

A rectangular box containing a handwritten signature in black ink. The signature is cursive and appears to read "Paul S. ...".

San Dieguito Union High School District Trustee Area 5 Applications

Name

Vic Wintriss

Years of Residence in the San Dieguito Union High School District

30

Describe your educational, professional, volunteer and/or public service background. Please elaborate how your experiences would best qualify you to serve as the Area 5 Trustee?

BEE, ME Cornell University, MSEE San Diego State University, Retired Commander, USN, San Diego Community College Instructor Credential, UCSD Extension Instructor, Junior Achievement 5th grade teacher, Computer Science teacher at The League Of Amazing Programmers, Carmel Valley Community Planning Board Member.

Why do you wish to serve on the Board? Please describe your leadership style and describe your approach to being one of five members of the Board.

Very interested in providing high-quality technical education to the under-served community. Team player, thoughtful.

What qualities do you believe are important for a School Board Member to possess? What skills, abilities, and experiences do you have that would allow you to successfully serve Area 5 and carry out your duties with the other four Trustees?

Past Board experience at Electronic Product Associates, Computer System Associates, Wintriss Engineering Corporation. Presently Treasurer at The League Of Amazing Programmers. Friendly persona...interested in smooth, cordial interaction among board members.

Describe your affiliation with SDUHSD. Please list your involvement in activities that demonstrate your understanding and support for public education and SDUHSD.

Former Encinitas resident, 12 years. Attended San Dieguito adult education classes. Casa de Amistad. Reality Changers.

What do you hope to accomplish? What are your short-term and long-term goals for the district? How would you propose solving some of these issues?

Support outstanding educational opportunities for local students, especially trade related education. Bring back practical, trade related classes that prepare high school students for the high-paying technical jobs available here in San Diego.

Explain the mission of the San Dieguito Union High School District.

To provide a world-class education for all students through quality programs that engage students, inspire achievement and service to others, prepare them to be lifelong learners and responsible members of society

*One page of additional materials may be submitted. You will be required to sign into Google before you can upload a file (PDF only).

None submitted.

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Signature of Applicant



San Dieguito Union High School District Trustee Area 5 Applications

Name

Ty Humes

Years of Residence in the San Dieguito Union High School District

14 years and 2 months

Describe your educational, professional, volunteer and/or public service background. Please elaborate how your experiences would best qualify you to serve as the Area 5 Trustee?

My educational, professional, volunteer and public service record uniquely qualifies me to serve on the Board of Trustees. The reason for my strong belief in the aforementioned is rooted in the following. I was the Chairman and President of the Del Mar Schools Educational Foundation for 6 years (2011 -2017) and the architect of its STEAM Plus program. In addition, I served as a Board Director and Head of Fundraising for Volunteers of America Southwest where I was instrumental in the creation of 2 Charter Schools (El Centro and San Bernardino) and its Head Start program. Also, I have been a Board Director of the Del Mar Little League and on the Del Mar Schools Local Control and Accountability Plan Committee. Furthermore, I have coached and continue to coach Master Sports basketball and Friday Night Lights football and am on the Torrey Pines High School Dance Team Banquet Committee. In regards to my professional and educational curriculum vitae, I am a graduate of Syracuse University and am the CFO and part owner of Sercagene (a biotech pharmaceutical company here in Carmel Valley, which is owned by Theragene Pharmaceuticals where I served as the Chief Investment Officer. I also serve as the Executive and Global Head of Wondros, Inc. (an international creative agency).

Why do you wish to serve on the Board? Please describe your leadership style and describe your approach to being one of five members of the Board.

I wish to serve on the Board to first work in conjunction with the other four members to not only maintain an unparalleled level of excellence already in place but to augment and incrementally grow our ever-changing and diverse narrative and opportunity. My leadership style has been continuously described as that of a paradigm pioneer and facilitator. I do not have any problems with addressing and subsequently executing within the team environment and mandates of the constituency we serve, the families of the district. My entire life has been in a leadership role and in an always diverse one, at that, due to my presence in most cases as the only Black male (in the African American community you will usually find more Black women in leadership roles; thus, Black men in the aforementioned roles is not the norm but a rarity). I have served on the Board of Directors of for profit and non profit organizations, inclusive of school and educational incorporated entities and I am always in a position of executing a team approach leadership style with the ability to take the lead whenever required.

What qualities do you believe are important for a School Board Member to possess? What skills, abilities, and experiences do you have that would allow you to successfully serve Area 5 and carry out your duties with the other four Trustees?

I believe that a School Board Member should possess the following two main qualities. First, the ability to listen and learn from the constituency. Second, they must have the ability to interact and make themselves actively involved in all aspects of the community (failure usually results in unconscious bias). The skills, abilities and experiences that I have that will allow me to successfully serve Area 5 are as follows. One, I have already delivered 6 years of leadership in the Del Mar School District and grew the

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financial and family participation levels to unparalleled tiers of success which they do enjoy until today and did not exist prior to my election and subsequent leadership. Two, I recruited educators from Area 5 to help build the educational infrastructure for underserved communities; thus, showing my comprehensive understanding of the talent and skills we have in the Area. Third, I have built numerous corporations, inclusive of Dearborn Financial (Warren Buffet), Wondros (Bob Dylan), Pacific Title (Warner Brothers, MGM), where I was specifically brought in by executive recruiters to restructure, maintain and design a culture for the future while working with the successful components that were already in place.

Describe your affiliation with SDUHSD. Please list your involvement in activities that demonstrate your understanding and support for public education and SDUHSD.

My affiliation with SDUHSD is two fold. First, my daughter is a freshman at Torrey Pines High School and on the dance team (both JV and Varsity). Since her start two years ago at Pacific Trail Middle Schools, my focus on support and family participation has been in SDUHSD. Second, I am on a member of the Commissioner's Office and Coach me son's team in the Friday Nights Light League. Over 98% of our team families have a child in SDUHSD middle and high schools and I consistently interact with them in regards to the role and impact that SDUHSD plays in their respective lives.

What do you hope to accomplish? What are your short-term and long-term goals for the district? How would you propose solving some of these issues?

I hope to accomplish the obvious and optical lack of diversity on the Board, which is to have a male of color who has diligently and comprehensively served this community. The short-term goal is to have the district re-emerge as a leader and pioneer in communicating and taking the leadership role in the County of San Diego (active leadership). The long-term goal is to be an integral voice and leader in the dynamic change that is required in an ever and immediate changing learning environment and curriculum. My unique experience and professional experience in building companies, culture and people will be the baseline of facilitating the aforementioned.

Explain the mission of the San Dieguito Union High School District.

The mission of the San Dieguito Union School District is to provision a world-class education for all students. This is inclusive of curriculum, facilities, culture, environment and dialogue. Subsequent to the foundation of the mission is to ensure that we are preparing our children to be infinite learners and responsible members of the world. Our main contribution to this will be our preparedness for the consistently changing learning platform that was not this dynamic 10 years ago.

***One page of additional materials may be submitted. You will be required to sign into Google before you can upload a file (PDF only).**

None submitted.

Signature of Applicant



San Dieguito Union High School District Trustee Area 5 Applications

Name

Alan Kholos

Years of Residence in the San Dieguito Union High School District

20

Describe your educational, professional, volunteer and/or public service background. Please elaborate how your experiences would best qualify you to serve as the Area 5 Trustee?

Educational

- B.S. Engineering from UCLA
- M.B.A from Embry-Riddle Aeronautical University
- J.D. from Loyola of Los Angeles Law School

Professional

- U.S. Air Force
 - o Human Factors Engineer designing computer-based education software used throughout Air

Training Command

- o Project officer for acquisition of satellite and space launch vehicles
- Judicial law clerk in federal district court
- Corporate attorney in two major international law firms representing technology companies
- Attorney and business leader in wireless, software and life sciences companies in San Diego
- Currently employed at Becton Dickinson (BD) in Carmel Valley, and recently completed 4-year assignment in Israel to acquire an Israeli medical device company

Public Service & Volunteer

- U.S. Air Force officer (7 years active duty, 13 years reserve duty)
- U.S. District Court: Judicial law clerk
- Congregation Beth Am: Executive Committee (2006-2011)
- Del Mar Union School District (DMUSD): Board of Trustees (elected 2012)

Serving the community on the DMUSD Board of Trustees provided me an in-depth knowledge of school board governance principles that were supplemented by educational opportunities with the California School Board Association. I learned how to work collaboratively with my fellow trustees, superintendent, staff, teachers, parents and students. These experiences are directly transferable to the important work on the SDUHSD Board of Trustees.

As a corporate attorney, I have extensive experience advising boards of directors on governance and principles of procedure for managing meetings. I have advised on litigation, mediation, personnel issues and contract relationships. As a business leader, I know how to set goals and priorities, manage budgets and finances, lead people, and organize efforts to achieve tangible results.

As a military officer, I learned how to stay cool under pressure, focus on the mission, serve with humility, and ignore politics that distract from achieving core objectives. In the military, we identify threats and

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prepare contingency plans to address those threats. This is not unlike the threat of COVID-19 faced by our community. A well-functioning school district would have developed multiple contingencies in the face of uncertain and evolving scientific information. And our District should have contingency plans for adapting to the decrease of the current threat, and also prepare for new threats in the future based on current variants of COVID-19, as well as public health crises that may develop in the future.

In my work at Becton Dickinson, we have adapted quickly to the COVID-19 Pandemic by increasing production of IV infusion pumps for ICUs around the world, rapidly developed and deployed COVID-19 diagnostic tests, and produced more than 1 billion syringes to administer vaccines. Through our businesses and the healthcare industry customers we serve, I have experienced a crash course in responsibly reacting to the public health crisis of our time.

I welcome the opportunity to employ these experiences to make the SDUHSD Board of Trustees more effective.

Why do you wish to serve on the Board? Please describe your leadership style and describe your approach to being one of five members of the Board.

My family has a long tradition of service. My father served 34 years in the U.S. Air Force. I followed his lead by accepting a full ROTC scholarship to study engineering at UCLA, graduated with a regular commission, and served 7 years on active duty. More recently, I served on the Board of Trustees of the Del Mar Union School District (DMUSD). My wife is a Registered Nurse with a Master of Public Health degree, has worked in DMUSD, and also volunteered as a vaccinator at Petco Park.

I would be honored to continue serving our community on the Board of Trustees of the San Dieguito Union High School District (SDUHSD).

My leadership style has been influenced by my training and experience as an Air Force officer. I have learned that good leadership requires collaboration, professionalism, and a commitment to everyone on the team. My style has further evolved through my experiences as a service provider supporting various sizes of companies, and then as a business leader within various enterprises. My current company, Becton Dickinson employs a highly-matrixed organization that requires me to exercise influence – sometimes without direct authority – to lead teams to achieve results.

I enjoyed success on the DMUSD Board by utilizing my skills of teamwork and collaboration. Our Board developed a congenial and productive environment for the open exchange of ideas with each other, the Superintendent, staff, teachers, and the broader community.

If selected to join the SDUHSD Board, I would continue to focus on the following attributes:

- ability to listen and learn to understand the issues facing the District from the perspectives of students, teachers, staff, and the community;
- ability to engage in the constructive exchange of ideas without introducing personal biases;
- respect for the roles and responsibilities of teachers and staff, so that they may exercise their professional judgment;
- understanding the governance role of the Board as representatives of the stakeholder community; and
- always understanding how each decision may impact the students in the classroom and the learning environment we create at our schools.

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I have never been politically active. This is a result of my experience as military officer and my roles with government affairs. In the military, we support the Commander-in-Chief regardless of political party or how we personally voted. In working on legislative issues, my job focused on the funding and deployment of space systems (e.g., Global Positioning System), and I worked with Congressional staff and visiting Members of Congress regardless of political party. In San Diego, I led the government affairs program for CareFusion Corporation. During the drafting of Affordable Care Act legislation in Congress, I focused on influencing the impact to medical technology companies in providing innovative solutions to patients and medical professionals, and met with representatives of both political parties. Being politically active would have hindered my effectiveness in these roles.

What qualities do you believe are important for a School Board Member to possess? What skills, abilities, and experiences do you have that would allow you to successfully serve Area 5 and carry out your duties with the other four Trustees?

I believe that an effective School Board Member should have the following qualities:

- ability to listen and learn to understand the issues facing the District from the perspectives of students, teachers, staff, and the community;
- ability to engage in the constructive exchange of ideas without introducing personal biases;
- respect for the roles and responsibilities of teachers and staff, so that they may exercise their professional judgment;
- understanding the governance role of the Board as representatives of the stakeholder community; and
- always understanding how each decision may impact the students in the classroom and the learning environment we create at our schools.

I would contribute the skills, abilities and experience that I previously demonstrated during my service on the DMUSD Board of Trustees, and learned from my training through the California School Board Association.

As an engineer, I bring a passion for science and technology education, and an understanding of technical issues related to the District's facilities, infrastructure and technology. As a corporate attorney, I bring a deep understanding of governance principles from advising boards of private and public companies, as well as legal principles and processes for contracts, dispute resolution and litigation. As a business professional, I know budget and finance processes, project management, human resource management, strategic planning, and communication with internal and external stakeholders. I also have experience working with state and federal legislators through my roles with the U.S. Air Force and Becton Dickinson. During my prior Board service, I utilized these skills while representing the District at the Legislative Action Network (LAN).

As a parent, I have a son and daughter who attended schools in the District, with my daughter currently at Canyon Crest Academy. And my wife Tina, who is a registered nurse, worked for DMUSD for 8 years. My family's involvement with the schools, parents and students in the community provides me with key insights on their expectations and needs.

Finally, during my recent overseas assignment, our children attended the American International School (AIS) in Israel with families from all over the world. I offered my advice to their board and leadership based on the best practices I learned from DMUSD. I also had the opportunity to learn from AIS parents and staff with their experiences at multiple schools across the U.S. and the world. I hope to bring these ideas back to our District.

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Describe your affiliation with SDUHSD. Please list your involvement in activities that demonstrate your understanding and support for public education and SDUHSD.

I have lived in Trustee Area 5 of Carmel Valley for 20 years, and my children have attended Carmel Valley Middle School and Canyon Crest Academy (CCA). In 2019, I received my clearance from SDUHSD to work with the students on the CCA Robotics Team as a mentor for the FIRST Robotics Competition (which unfortunately cancelled due to COVID-19).

During my service on the DMUSD Board of Trustees, I attended an average of 20 public meetings per year, in addition to California School Board Association (CSBA) and Legislative Action Network (LAN) meetings, and individual meetings with the Superintendent, staff, teachers, parents and other Trustees from DMUSD and neighboring districts. Each meeting required varying levels of preparation and research, active engagement during meetings, and follow-up activities. I developed a deep understanding of the inner workings of DMUSD and the California system of public education.

Prior to the 2012 election for the DMUSD Board, I served on the DMUSD Financial Task Force. I also had the pleasure of participating in Veterans Day events at the schools and addressing student body assemblies in my Air Force uniform (which still fits me).

At the American International School in Israel, I served as an engineer mentor for the school's FIRST Robotics Competition (FRC) team, and led the drive to raise funds to support their first-ever trip to the U.S. to compete at the FRC World Championships. I hope to continue my passion for STEAM+ education throughout SDUHSD. And given the opportunity, I'd like to contribute my knowledge of competitive speech, debate, parliamentary procedure, and Model United Nations learned during my high school and college experiences.

At DMUSD, I embraced the philosophy that everyone is in the business of education, even Board members. As a life-long learner, I made a personal commitment to meet with a different DMUSD department every month (in addition to our monthly school site visits as a Board). I also met with teachers to understand the challenges and opportunities they face in the classroom as educational professionals. I enjoyed attending CSBA meetings to learn best practices and develop a network of board member peers who shared ideas of addressing common problems facing our school districts.

As an "educator," I sought to share with staff some of the best practices I learned from other organizations where I have worked or volunteered. I also believe that we educate as role models through our words at actions at board meetings and meetings with individual stakeholders throughout the community.

What do you hope to accomplish? What are your short-term and long-term goals for the district? How would you propose solving some of these issues?

I hope to bring to the SDUHSD Board the positive governance principles that I developed on the DMUSD Board. By working as a team, we can confront the unique challenges from the COVID 19 Pandemic.

In the short term, the District needs to finish the 2020-21 school year on the accelerated path to normalcy, where students and teachers can have closure on a difficult year, and graduating seniors can feel a sense of accomplishment.

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The District also needs to start planning for the beginning of a new school year that will be unlike any other. While we desire a return to “normal,” our students have developed different learning, study and engagement behaviors. We need to recognize those changes in our students and make the preparations to ease their transition back to the classroom and school sponsored activities, and re-engage them with interactive learning after a period of isolation. This may require increased investment in training for our teachers and staff, assessment of students after long periods of distance learning, and additional counseling support. We may also require contingency planning in the event of a resurgence of COVID related concerns, and strategies to accommodate families that either feel or do not feel comfortable returning to the classroom.

In the long term, we need to plan for the “new normal” the District will face in the next 2-3 years. We should review the strategic themes in the Education Plan from 2015, and update our strategy and goal priorities.

Similar to my experience on the DMUSD Board, I believe that the major issues confronting our District are (1) establishing proper funding priorities, and (2) promoting innovation in the delivery of instruction to our students.

Funding:

Our community members (whether or not they have a connection with the District) expect that taxpayer dollars are spent effectively to maintain one of the best school districts in California. Our parent community has grown to expect innovative education by top teachers in engaging classroom settings.

We have a challenging responsibility to balance these interests by (a) developing balanced budgets while (b) spending on near-term priorities, (c) planning for long-term infrastructure, and (d) maintaining an adequate funding reserve.

As I did for DMUSD, I commit to active engagement with the Superintendent and staff to understand all funding issues, and work collaboratively with community stakeholders and other members of the Board to have a transparent process for reviewing and approving responsible and thoughtful budgets.

Innovation:

Our District should have innovative instructional design and delivery to meet the need of our learners. This is important not only for our students and parent community, but to the high-class teaching professionals we seek to attract and retain in the District. Our facilities and technology infrastructure should be able to support our STEAM+ initiatives. And we should actively engage local businesses, community organizations and technology professionals to supplement these plans.

For better or worse, our response to COVID-19 have made us rethink how we use technology to engage and educate. Now is the time to learn from innovations by our District and other schools around the world, and apply new ways of doing business in our classrooms.

Collaboration:

Finally, we should all recognize that the past 15 months have been filled with uncertainty, fear and tension on how best to educate our students in a pandemic setting. Before we tackle long-term goals, we need to focus our energies in rebuilding trust between the stakeholders in our community who believe that SDUHSD can and should be the most functional and high-achieving school district in California.

Explain the mission of the San Dieguito Union High School District.

The SDUHSD Education Plan describes both:

- A mission to provide a world-class education for all students: Engaged, Inspired, Prepared; and
- A vision to provide a world-class education for all students through quality programs that engage students, inspire achievement and service to others; prepare them to be lifelong learners and responsible members of society.

Taken together, these statements articulate the important purpose and reason for the existence of SDUHSD.

SDUHSD has a well-deserved reputation as a leading public education institution in California and the U.S. Our community (whether they have students or not) has grown to expect the highest levels of engagement and achievement by our students.

I work at a company with a proud mission of "advancing the world of health." I want to see our students focusing on what they can do to repair or improve the world. I like to ask students not "what do you want to be?" - but rather "what problems of the world do you want to solve?" This helps us think about developing skills around a passion, instead of focusing on a specific job that may or may not exist when we complete the next chapter of our education.

As a Board member, I would continue to embrace the philosophy that everyone is in the business of education and would live the mission of SDUHSD. This means serving as a role model while performing duties as a trustee. I will also volunteer as a mentor for student activities where I have relevant experience in technology, law or business.

Finally, Board Policy 0000 recommends an annual review of the vision statement. During the next review, I recommend developing a vision statement that adopts a long-range vision of where we aspire to be in the future (e.g., one of the nation's leading high school districts that sets an example with the highest standards for delivering quality education to our students). We can also update our mission statement, and related goals areas, to address adjustments and learnings developed during the COVID-19 Pandemic.

***One page of additional materials may be submitted. You will be required to sign into Google before you can upload a file (PDF only).**

None submitted.

Signature of Applicant

San Dieguito Union High School District Trustee Area 5 Applications

Name

Jeffery Adler

Years of Residence in the San Dieguito Union High School District

2 years

Describe your educational, professional, volunteer and/or public service background. Please elaborate how your experiences would best qualify you to serve as the Area 5 Trustee?

I have a range of experiences that qualify me for this role.

My professional experiences include:

My work history includes domain expertise in budgeting, finance, operations, and strategy. Over the years, I have been actively involved in capital raising and building strategic partnerships with organizations and civic leaders of influence. Of particular strength is my ability to find common ground in places of seemingly irreconcilable conflict. I have direct experience with conflict resolution, and negotiate for win-win solutions.

I am currently the CEO of a virtual board education company, iProtean. In this capacity I work with over 500 hospital trustees across the country. My company produces virtual education micro-courses focused exclusively on board governance best practices. Accordingly, I have the privilege of working with multidisciplinary experts from across our nation on various governance subject matters, such as finance, mission, strategy, and innovation. This ongoing body of work provides a rich perspective on all things governance related, which will all me to serve the school board well.

My personal experiences include:

Active donor, contributor and supporter to a range of local charities in San Diego - including Challenged Athletes Foundation, Susan G. Komen, and the San Diego Autism Society.

I collaborate with higher education institutions such as UC San Diego, SDSU, and above all University of San Diego where I have helped launch a number of programs in conjunction with past and present deans to the Business School.

I was a Board member alongside Malin Burnham, at Destination Care, 2017-2019

Why do you wish to serve on the Board? Please describe your leadership style and describe your approach to being one of five members of the Board.

My company mantra is "Learn for Life." I am evangelical about all things learning - the power of curiosity, the power of free thinking, the power to imagine, the power to learn by doing, the power of personal experiences. Whether it be as high school class V-President, national president of the Organization of American States; Rotary International Ambassador of Goodwill Scholar; or University of Maryland Class Valedictorian - I have always cherished leadership platforms to inspire others to discover their capacity to learn. I'll always remember my 3rd grade teacher, Ms. Vaneski, who lobbied my parents to have me take 3rd grade over again, "We simply need to 'hold Jeffery back' - he's just not ready for 4th grade." She took me aside afterwards and said, "Every flower blooms when it's ready - don't you dare stop believing in yourself, Jeffery!" Looking back, Ms. Vaneski may have been the single best gift of my life - her insistence and propelled me to learn about the importance of hard work - to look at setbacks as setups for something better. And to believe in the power of possibility.

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Fast forward to the present day, my leadership style consists of a few key ingredients: candor and directness; honesty and integrity; transparency; and moral conviction. I say what I mean and I mean what I say. But I also strive to build consensus and seek out ways to build bridges, not break them. I learned long ago never cut what you can untie, and this lesson has served me well in my life.

I recognize that I am but one member of a Board of 5 individuals, and that the Board acts as a whole. I will work to gain consensus wherever possible, but I am not afraid to be a leader. At the same time, if I am in the minority on any given issue, I recognize that the Board acts as a whole, and will support the majority.

My education has served me well in my life. I now am at a point where I am looking to give back to the community. Education is at the foundation of my success, and serving on a school board is where I have genuine interest and can make a significant impact.

What qualities do you believe are important for a School Board Member to possess? What skills, abilities, and experiences do you have that would allow you to successfully serve Area 5 and carry out your duties with the other four Trustees?

Building on question #2, there are three qualities that I can offer that I believe will be valuable to the board and the school district - particularly in these times of uncertainty:

The first is being a thoughtful listener to ideas from across all points of view. We won't make good decisions unless we listen to all constituents.

The second is being an individual that brings critical and sound judgment to the decision making process.

The third is having the conviction to take decisive action and make hard decisions, even if it means become disliked or disapproved of from some members of our community.

Describe your affiliation with SDUHSD. Please list your involvement in activities that demonstrate your understanding and support for public education and SDUHSD.

The fun activity that comes top of mind is my children's involvement in the water sports space as avid swimmer athletes and water polo players. Both our son Eric, a graduating senior at Torrey Pines, and our daughter Leah, a freshman at Torrey Pines, play organized sports. Water sports has been at the epicenter of their adolescent life, and as a family we've enjoyed countless memories participating in community events tied to the water sports here in the district.

My understanding on public education has been fortified through experiences at the University level, including UCSD where I maintained a business for several years. In that capacity I had a number of community outreach activities (charitable, education-lifting, and teaching) that collectively deepened my understanding of the institutional complexity and competing forces at play in driving change on a student campus.

What do you hope to accomplish? What are your short-term and long-term goals for the district? How would you propose solving some of these issues?

I have one single-minded goal: I want to inspire and enrich the lives of our kids. I recognize the last year was unthinkable painful and uncertain for students, parents, teachers, and staff. We must confront where we are at with the pandemic, and mission #1 is to get our kids back into the classroom - full-time, full classrooms, fully present - in mind and spirit. The bond of trust - student to teacher, student to student, student to school system - has been under stress. We need to get students back, get them re-

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inspired, and replace their current cynicism with a renewed joy for learning. I will also work to rebuild the trust with our teachers. We have some of the best teachers around, and by rebuilding trust we can ensure our kids get the best education possible.

Beyond the pandemic, I look forward to working with the rest of the Board to creatively find ways to get the maximum benefit for our kids. We are a great school district, but can achieve even more through creative collaboration.

Explain the mission of the San Dieguito Union High School District.

The stated mission: provide a world-class education for all students through quality programs that engage students, inspire achievement and service to others; prepare them to be lifelong learners and responsible members of society

The bedrock of our mission promotes 3 words: “engaged, inspired, prepared”. The pandemic has put a strain on our ability as a District to fulfil this mission. Going forward we all have to work hard to get back to our core mission, but I’m confident we can get there. By fully embracing these three words, “Back To School”, we are back on our way to making this district a true “force for good.”

***One page of additional materials may be submitted. You will be required to sign into Google before you can upload a file (PDF only).**

None submitted.

Signature of Applicant

A handwritten signature in black ink, consisting of several loops and a long horizontal line extending to the right, ending in a small arrowhead.

San Dieguito Union High School District Trustee Area 5 Applications

Name

Lea Wolf

Years of Residence in the San Dieguito Union High School District

21 years

Describe your educational, professional, volunteer and/or public service background. Please elaborate how your experiences would best qualify you to serve as the Area 5 Trustee?

With the combination of my business and professional experience, educational credentials, and relentless advocacy for students, I introduce myself as the most qualified candidate to serve constituents as the Area 5 Trustee. My competencies and diverse background will infuse innovative, holistic visions at SDUHSD.

I have built a track record that focuses on innovation and child advocacy. I hold a BA in Financial Service, and an MBA in Entrepreneurship from San Diego State University. My professional career began on Wall Street as a software engineer developing financial applications. Upon moving to San Diego in 1997, I started a consulting company to help corporations transition outdated mainframe systems into new technologies.

Once family priorities shifted, I redefined myself. I co-founded Innolink, Inc to commercialize Israeli technologies in the US. Gaining expertise in the entrepreneurial world, I launched ventures surrounding social responsibility. I spearhead a human resources platform, iclique-in (www.haychamba.com), enabling blue-collar workers to connect with employers via bilingual texting.

I later pioneered women's networking events using concepts like respect, confidence, and trust to form intellectual-emotional connections. I developed the 7P's Method that made workshops interactive by shifting power to participants. I'd use this method to hear student needs and empower each stakeholder to contribute to our community.

Personal development workshops extended into professional development for managers and executives (www.iqnetinteractive.net). Working with corporate clients, I created a cross-cultural and collaborative communication method called e-LEADERSHIFT. With my certification as an ATD coach and experience, I coined FACE-IT to help clients discover their authentic self.

Seeing the world through my child's eyes sparked my passion for kids. Witnessing the pain of bullying impact my daughter and her friends, I applied my expertise to launch Deeds By Kids (www.deedsbykids.org), fostering child character development through community service projects. One project involved collecting bullying stories and establishing techniques to guide through adversity. Hundreds of stories revealed patterns that inspired another tool, SELF-Ex., guiding kids to speak assertively and act responsibly in five simple steps.

When my daughter was silenced for reporting harassment at her private school, I began scrupulous research and attended SDUHSD board meetings. I connected with parents in the district and formed a team who launched www.letspeakup.org to support families through Title IX issues. My research

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report, *The Underground Practices that Normalize Child Abuse*, is currently transforming into a book entitled, *Act Responsibly*, through my recent venture, www.ICIARA.com, that integrates software and curriculum to prevent misconduct.

In 2018, I ran for school board (www.vote4lea.org) under the slogan “Empower Students to Lead and Succeed,” by prioritizing the whole student. I funded my own campaign, was endorsed by former SDUHSD Trustee John Salazar, and garnered approximately 2700 votes — while raising awareness that catering solely to the Teacher’s Union hurts our children.

My passion for social justice stems from my upbringing with Judeo-Christian philosophies. ‘Tikkun Olam,’ repairing the world for the collective good, is part of my vision for our community.

Why do you wish to serve on the Board? Please describe your leadership style and describe your approach to being one of five members of the Board.

I strive to bring positive, meaningful change to student’s matters under the motto that “A whole-student counts.” In 2017, I realized that children are the most vulnerable stakeholders in the school system. Decisions are not necessarily made in our kids’ best interests; they are at the mercy of the adults around them. In the past few years, I dedicated all my time to understanding the education system and its impact on kids.

I am poised to contribute new ideas and a fresh perspective to the SDUHSD community, where excellence is achieved by attending to the whole student. I hope to work together in creating a cohesive culture, where each stakeholder understands their roles and responsibilities to achieve community objectives. I strive to create a safe environment for open and honest communications where each stakeholder’s needs are considered to achieve a balance between personal goals, group achievements, and the collective good.

My style of leadership will certainly benefit the SDUHSD board. A method developed for managers and executives, e-LEADERSHIFT is a facilitative and collaborative method that engenders high-quality action plans by evaluating risks, resources, and support systems. Every element of e-LEADERSHIFT focuses on “purpose.” The “purpose” is collectively defined by the group, where “ONE: Objectives, Needs, and Expectations” are defined by every stakeholder to align a common mission:

- What is the objective? Why do we need it? Why is it important?
- What are the expected outcomes?

e-LEADERSHIFT is an acronym that delineates its methodology. To give brief insight, “L” stands for listening attentively to every relevant party, “E” stands for embracing differences and similarities, and “A” stands for asking questions with the intent to understand, clarify, and assess solutions. “I” stands for inspecting/integrating resources, and finally, “T” stands for transferring responsibilities to each stakeholder.

As a Russian Jew with Middle Eastern roots and raised in Israel, I was fortunate to experience an education that integrated experiential learning, community service, critical thinking, problem resolution, and academic excellence. I am confident in applying these innovative methods to enhance the SDUHSD student experience.

My immigration story is an important part of who I am today. As a teenager, I immigrated to the United States, first to New York where I lived in a basement with my parents and brothers. Life in Brooklyn

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taught me humility while connecting with diverse ethnicities, religious affiliations, and communities, from ultra-orthodox to ultra-liberal.

Having lived in San Diego for the past 24 years, I am well versed in my community's evolution. I believe strongly that my cultural background will better represent SDUHSD's diverse socio-demographics due to my intimate understanding of diversity and inclusion.

Lastly, I am a candidate with no special relationships with any board members, and with no conflicts of interest with any group or political party. My focus is on student wellness and the collective good of our community through a formulated, process-oriented, and purpose-based vision.

What qualities do you believe are important for a School Board Member to possess? What skills, abilities, and experiences do you have that would allow you to successfully serve Area 5 and carry out your duties with the other four Trustees?

2021 is a pivotal year, especially for students and teachers amidst COVID-19, and a trustee must possess qualities that align with the role and its responsibilities. He/she must be:

1. A visionary
2. Trustworthy by leading with integrity
3. Independent and objective
4. Fiscally responsible
5. Process/solution-oriented to establish structure
6. Open-minded, collaborative, and balanced
7. An advocate for students and families

Trustees must ensure that each decision is made in students' best interests by seeing their perspective. All the while, the trustee must collaborate with stakeholders who promote SDUHSD's mission and vision, offering diverse opportunities for children to excel academically, explore their passions, and thrive socially and emotionally.

As a visionary, a trustee directs where stakeholders aligns their roles and responsibilities with the district's goals. That vision must unite the community under a cohesive culture where school is a safe environment for everyone. Norms, guidelines, and policies must be communicated clearly to all stakeholders. A trustee must ensure that the systems in place are enforced and that stakeholders are held accountable to restore trust and confidence.

Independence is paramount, free of relationships to special interest groups. Those conflicts of interest obscure judgment, depriving students from equal access to educational opportunities. To prioritize the needs our children, a trustee must remain objective while possessing a passion for students.

A trustee must possess skills to share effective resources, tools, and techniques to serve our 13,000 students, including those with special needs. My expertise in technology and financial applications will help streamline processes that monitor budgets. I aim to allocate more funds toward student success, such as leadership training and social-emotional workshops.

In order to achieve our vision, a trustee must communicate assertively, clearly, and respectfully. Adversity and conflicts are inevitable; controversy is 100% guaranteed. The questions that remain: How to bridge differences? How do to disagree respectfully? How to negotiate, influence, and compromise? How to have healthy debate to reach the best solutions?

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I adhere to the philosophy that collective wisdom is greater than the wisdom of a few. I employ e-LEADERSHIFT to promote open and honest communication. It allows me to learn and understand others' perspectives by listening and questioning with intent. Through the years, this very tool enables me to facilitate conversations with opposing views and infuse them into new philosophies or ideas. A trustee who is principle-driven and solution-oriented will make high-quality decisions by assessing the risks/rewards of each.

All of us strive to protect our kids, ensure their safety, and help them achieve their dreams. A champion for students' rights who is confident in furthering our children's well-being brings tremendous credibility and trust to the board. Not only have I been a relentless advocate for students, but hold much knowledge of the inner workings at SDUHSD and government agencies. I am confident in my ability to navigate the system to yield beneficial outcomes for students, their families, and community members.

Describe your affiliation with SDUHSD. Please list your involvement in activities that demonstrate your understanding and support for public education and SDUHSD.

My affiliation with SDUHSD is as a relentless student advocate, a parent and a community member who has lived in the district for over 20 years. Making schools a better place begins with student safety and wellness. Over the past few years, I've dedicated my time, resources, and expertise to spark positive change at SDUHSD:

1. Just recently, I've closely worked with community members to gain an independent board that acts in students' best interests in mind. We gathered facts and data while I employed my knowledge of the public school system to bring about meaningful change.
2. From 2018 through 2021, I have supported families with diverse queries in education codes, Title IX, and guided them through various processes. I became an empowering resource for many community members, using my knowledge of the system to educate and guide them toward favorable outcomes. For example, I developed A Parent's Guide to File Grievances.
3. In 2019, I spearheaded a petition that informed students and their families of their right to opt-out of California State exams. That year, the CA State exams were being administered at the same time as AP exams, causing immense emotional distress and anxiety to students. Hundreds of opt-out forms were downloaded.
4. In 2019, I wrote a report on How to Improve Outcomes at SDUHSD, which I submitted to Dr. Haley and Dr. Gothold. The report is still relevant and can be applied in brainstorming sessions among SDUHSD leadership for potential long-term solutions.
5. I developed another report called the Underground Practices that Normalize Child Abuse, which identifies sexual assault and harassment cases. I educate parents and community members of these practices so they can manage these situations constructively and prevent further misconduct.
6. My track record speaks for itself. I've advocated extensively for students who were harshly punished in the district. From 2018 through 2021, I spoke at board meetings and helped behind the scenes whilst offering resources and support to families who reached out to me. I was also responsive to complaints filed on www.letspeakup.com and met with various SDUHSD administrators on behalf of students. I suggested ways to implement restorative justice methods, educational segments, and training to prevent abusive behaviors.

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7. Before and during the pandemic, my support for the SDUHSD community has been unyielding. Over the past few years, I became a resource for community members to understand the SDUHSD culture and help reopen the schools safely.

What do you hope to accomplish? What are your short-term and long-term goals for the district? How would you propose solving some of these issues?

As a Trustee I will strive to work with all trustees to achieve SDUHSD's mission. My unique competencies and collaborative approaches aim to support our kids' success. The lockdown posed much emotional distress, depression, and anxiety that derailed many children. For this reason, my first goal is to help safely reopen schools fully. As a part of that, I would advocate for the board to provide faculty and families the option to return based on their personal circumstances.

Next, I would seek to address mental health of students on an ongoing basis, as students continue their transitions back into full-time, mainstream learning. New social-emotional programs can help return them the tools to overcome the travails of the pandemic's isolation.

Life and leadership skills shall be implemented to help kids on their journey ahead. I would implement workshops similar to one I recently developed, Be Your Own Advocate, that empowers children to address their needs confidently to make progress. I would introduce weekly sessions called Obstacles and Opportunities, where students will discover how challenges are the catalyst to confidence. In addition, I would envision ongoing effective personal development programs and leadership workshops, among other educational segments based on the needs of the community.

I will also implement effective professional leadership training, applicable to various stakeholders in the school system. Adults' roles in kids' lives have changed. Children no longer need us only for information; knowledge of a topic can be acquired through the click of a button. Kids today need adults to guide them to apply the information in their daily lives. Hence, parents, teachers, and administrators should develop skills in facilitation, coaching, mentoring, and active communication. Through diverse activities and interactions, students will be fully engaged inside and outside the classroom.

Another long-term goal of mine is to understand SDUHSD's assets, resources, and technologies. With my expertise, I will introduce innovative technological solutions with centralized qualitative and quantitative objective data. There should be a one-point-access, where institutional memory can be housed and accessed with ease. Technological platforms can help improve communication, transparency, accountability, and measure outcomes objectively to achieve our missions.

How can any of these goals be accomplished? My preferred approach to any solution is to establish a clear purpose, which I call "ONE--" Objectives, Needs, and Expected outcomes. When ONE is established, all stakeholders are aligned, and can swiftly begin the evaluation process. By collecting accurate data and facts, conducting research surveys and focus groups, and facilitating committees and other forums, we house more than enough information at our community's center. We would present the findings to all stakeholders for feedback. My e-LEADERSHIFT method will be applied to collaborating with fellow trustees and stakeholders to foster positive solutions. Afterward, each group can contribute to action plans with practical tools and support systems in place. Then, we submit the plan for review, garner feedback from relevant parties, and improve it until all parties sign off in agreement.

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Explain the mission of the San Dieguito Union High School District.

The vision of SDUHSD is “to provide a world-class education for all students through quality programs that engage students, inspire achievement and service to others; prepare them to be lifelong learners and responsible members of society.”

Every community member and stakeholder should contribute to creating an environment where all students can reach their full potential. SDUHSD has done a phenomenal job in ranking highly in academics, however, we must continue improving to rank higher holistically. If children’s mental health continues to suffer, their performance will fall, their responsibility will plummet, and their aspirations will dim. The whole student must be accounted for not only on paper, but in action.

SDUHSD seeks to inspire students in achieving their aspirations, and I will do anything in my power to endow them with the tools to live their passions. Providing students with the necessary tools and resources to thrive, they can enter adulthood driven to be “lifelong learners” who are motivated to repair the world for the collective good. I share the vision of SDUHSD, however, we have yet to secure the well-rounded potential of our kids. With my competencies, professional experience, and diverse background, I believe that I can help integrate a more holistic vision into our community.

***One page of additional materials may be submitted. You will be required to sign into Google before you can upload a file (PDF only).**

See attached.

Signature of Applicant

lea wolf

Lea Wolf

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lwolf@san.r.com 858.761.4941 5214 Seagrove Place, San Diego CA 92130

April 16, 2021

Dear Members of the Board of Trustees and Dr. Haley,

I'd like to thank each of you for your service to our community. I am grateful for your personal sacrifice over the past year as the District navigated through the uncertainty of COVID-19.

You all undertook a Herculean effort with the best of intentions and little precedence. You were each under immense pressure in trying to do right by both our students and their parents while securing the well-being of many adult employees at risk. I am grateful for your commitment and many hours invested to consider diverse perspectives in addressing each stakeholder.

It would be my honor to collaborate with each of you so we can find great solutions in the months ahead that support our student's wellness and academic success. I also deeply care about the district's employees and know that all of them should be treated with respect, dignity, and fairness.

My goal is to be your trusted colleague with open and honest communications where we infuse ideas into innovative solutions. I am committed to listening and learning from you, all the while contributing my competences so we can fulfill SDUHSD's mission and set the district's vision.

Together, as a team, we can put our best efforts forward and serve our community in good faith to earn their trust with highest integrity.

At this pivotal time, I believe my professional expertise and qualifications are most complementary to yours and are essential to strengthening student success.

I respectfully request your vote as the next Trustee for District 5.

Thank you for your thoughtful consideration of my application.

Respectfully,

Lea Wolf

San Dieguito Union High School District Trustee Area 5 Applications

Name

Julie Bronstein

Years of Residence in the San Dieguito Union High School District

16

Describe your educational, professional, volunteer and/or public service background. Please elaborate how your experiences would best qualify you to serve as the Area 5 Trustee?

Education: Patrick Henry High School (San Diego) graduate, 1986

Scripps College, BA, International Relations, 1990

USC, Master of Public Administration; focus: Intergovernmental Management, 1993

Professional:

UC San Diego - Executive Director of Development, Community Fundraising, 2016 – present

Equity, Diversity, Inclusion Committee for Advancement at UC San Diego, 2020 – present

Selected as Coaching Expert at UC San Diego, 2021

La Jolla Community Foundation (affiliate of The San Diego Foundation) – Executive Director – 2013 - 2016

Public service/volunteerism:

Autism Tree Project Foundation – Volunteer Advisor and Educator, 2007 - present

CCA Foundation Board member, Development Committee, 2019 – present

WASC Accreditation Process Community Focus Group member for CCA, 2018 - 2019

Parent representative for CCA COVID Safety Process, 2021

Volunteer for CCA Boys Basketball Team, 2018 - 2019

Volunteer for Girls Cross Country Team, 2019

Girl Scout troop leader, 2019 - present

Vista Hill Foundation, Mental Health Council, 2012 - present

Other:

Bilingual – Spanish

As a parent with two children currently attending schools in the district and a 2020 graduate, I am personally aware of the issues being faced by our schools and school district. My diverse background working in the nonprofit sector, in higher education, and as a longtime community volunteer provide me with the perspective, critical thinking, and problem-solving skills that will allow me to be an asset to the San Dieguito Union High School District. I am an optimist who is always focused on finding solutions to challenging issues. In addition, I believe my networking skills and connections would also serve as a benefit to the district. As a school board member, I will work to advocate and ensure that all students have access to the highest quality education and student experience possible.

Why do you wish to serve on the Board? Please describe your leadership style and describe your approach to being one of five members of the Board.

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I am passionate about this district, and as a school board member I would be devoted to maintaining its academic integrity and high ranking schools for all students. I am the parent of two students currently attending schools in our district – one in middle school and one in high school and one who graduated from CCA last year. I also have personal experience with special education in SDUHSD and am personally invested in seeing the ongoing success of this district. My husband and I, along with our three children, have lived in Area 5 for the past 16 years. We are rooted in this community and this school district. Before living in Carmel Valley, I grew up in San Diego and graduated from Patrick Henry High School, a public school. I am firmly committed to fostering, growing, and cultivating public education in our community.

My leadership style is collaborative and inclusive. I am a problem solver who focuses on negotiating consensus on complex issues in a collaborative manner. Through a broad variety of board service opportunities and my position at UC San Diego, I have learned how to operate on a board in a productive and accountable manner which leads to results. My approach to being one of five members of the Board would be to focus on building consensus among my fellow trustees and on relying on district staff for their expertise and guidance. As described in the “Meeting Protocol” section of the board’s agendas, “The Board is a policy-making body whose actions are guided by the District’s vision, mission, and goals. Administration of the District is delegated to a professional administrative staff led by the Superintendent.” As a board member, I would focus on adhering to this best-practice approach with an eye toward positive impact and meaningful results for our students.

What qualities do you believe are important for a School Board Member to possess? What skills, abilities, and experiences do you have that would allow you to successfully serve Area 5 and carry out your duties with the other four Trustees?

It is critical for school board members to listen to the concerns of parents and students and to look for solutions to their concerns. As a strong advocate for Equity, Diversity and Inclusion, I feel it is imperative for school board members to listen to and respect all voices in the district. I care passionately about strong public education, rigorous academics, athletics, STEM, the arts, mental health, special education, programs for English Learners, AVID, and Career-Tech Ed.

I am uniquely suited for this position based on my network and connections in the greater community which I will leverage to the benefit of students in SDUHSD. For example, given my work at UC San Diego, I have connections with faculty who focus on mental health in adolescents whom I can reach out to for access to resources and professionals who can assist with ensuring that our students’ mental health needs are being fully addressed. Since my children are attending two of the schools in Area 5 and one is a recent graduate of a school in Area 5, I have firsthand knowledge of what is working well in the schools and opportunities for growth.

As a school board member, I will be committed to being an effective fiduciary of taxpayer dollars and making sure that our Superintendent and district office are accountable to the public. The depth and breadth of my professional and volunteer experiences uniquely suit me for the role of school board trustee.

Describe your affiliation with SDUHSD. Please list your involvement in activities that demonstrate your understanding and support for public education and SDUHSD.

Firstly, my affiliation with SDUHSD is as a parent of three students in the district – one currently attending PTMS, one attending CCA, who graduated from CVMS, as well as a 2020 graduate of CCA. I have a personal interest in our schools and their top rankings. I have seen firsthand that the needs of all

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students are vast and require different tracks of courses and experiences to inspire students to achieve their goals. The majority of families live in SDUHSD because of the quality of our schools and the future opportunities that a high quality education will provide.

I am also on the board of the CCA Foundation, where I serve on the development committee. In this position, I have provided strategic advice for our Giving Day campaigns which has led to a significant increase in monies raised over the past two years. I have a direct understanding of the importance of school foundations to enhance the academic, athletic, and social experience for students. I am firmly committed to the essential role foundations play at schools in our district. I also served on the WASC Accreditation Process Community Focus Group for CCA during the 2018 – 2019 academic year and as a parent representative for CCA's COVID Safety Process. My involvement with these volunteer activities has further developed my understanding of the multi-faceted nature of the schools within SDUHSD and the variety of issues which must be addressed by the district and schools.

What do you hope to accomplish? What are your short-term and long-term goals for the district? How would you propose solving some of these issues?

Given targeted and individualized support, I know every student can thrive. Our strength is in our educators and staff, students and their families. As a school board member, I will focus on pursuing a collaborative approach to our work and will rely on existing committees and advisory boards and ensure accountability for tasks. When a particular need is identified, I will consider additional opportunities for problem-solving and progress. Further, I will empower members of each of the afore-mentioned groups to provide their best ideas to help guide policy making. As Helen Keller said, "Alone we can do so little; together, we can do so much." By relying on the expertise of the significant number of intelligent, resourceful and compassionate members of our community, we will be able to lift up our students, the schools within the district, and the school district as a whole.

My goals include the following:

- Maintain the highest quality of education, extracurricular, and athletic programs at all of our schools.
- Ensure that the district is offering robust and meaningful programming for addressing students' mental health needs.
- Effectively allocate federal and state funding for maximum long-term impact for students and schools. Implementation could include enhanced summer school offerings for students experiencing learning loss due to the pandemic, improvements in technology, and professional development.
- Safeguard our tax dollars and serve as a watchdog over the district's budget.
- Become personally familiar with all ten schools in the district, their unique needs, and their goals for the future.
- Improve educational equity and maintain a high quality of education for students receiving special education services, English language learners, and low performing students.
- Expand opportunities for high-achieving students as needed.
- Guarantee that diverse students' voices are heard at board and district meetings and that their concerns are addressed.
- Ensure that the professional input of site area leaders and teachers is heard and recognized for its contribution to the excellence of our district.
- Secure high school foundations by providing the continued support they need in order to support our schools.

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Explain the mission of the San Dieguito Union High School District.

The mission of SDUHSD is “to provide a world-class education for all students through quality programs that engage students, inspire achievement and service to others; prepare them to be lifelong learners and responsible members of society.”

“World-class education” and “quality programs.” To me, these words suggest that our schools are known for their academic excellence as demonstrated via test scores, college acceptance rates, high school graduation rates, course offerings, and more. These results are directly related to SDUHSD’s collaborative community of stakeholders, including the students, teachers, administrators, classified staff, parents, paraprofessionals, coaches, mentors, and community supporters. The mission of the district and role of the board connects all these stakeholders in meaningful and productive ways to support all students’ achievement. It must identify and support quality programs while recognizing that there are many complex and interrelated factors that impact those programs. Maintaining equity, access for all, high achievement, and balance is the mandate of every board member.

“Engage students, inspire achievement and service to others.” This speaks to the quality of our instructional program and the delivery of the “world-class education” described above. To engage and inspire students in classrooms, on athletic fields and courts, in extracurricular performances and competitions, in pursuing lifelong learning, in learning the importance of service and giving back, the mission of the district must be to create and support opportunities for all students to grow and succeed. This includes frequently updating and improving student resources, curricula, programs, and plans and using measurable goals and feedback from stakeholders. The district must be dedicated to the ongoing development of teaching staff, counselors, mentors, and administrators through professional development, collaborative working conditions, and layered accountability to identify and meet the needs of EVERY student.

The mission of the district is to support students, educational programs, teaching, and processes that support all learners in the development of skills, strengths, and character that go beyond the specific content of a given classroom. The board should work to apply the mission of the district to support students in learning how to learn, how to think critically, how to make meaning, and how to be responsible members of society. Like the district itself and the board that governs it, students need to be empowered to set goals and make plans to achieve them. In this way, graduates of SDUHSD will ultimately become productive and responsible members of society.

***One page of additional materials may be submitted. You will be required to sign into Google before you can upload a file (PDF only).**

See attached.

Signature of Applicant



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Support for Julie Bronstein

“In the five years that I have worked with Julie Bronstein at UC San Diego, I have come to know her as a dedicated and experienced non-profit and educational leader. My three sons attended CVMS and CCA. In my 30+ year career in education, I recognize in Julie all the most important qualities needed on our district’s school board – knowledge, competence, empathy, passion, and commitment. Her experiences on the CCA Foundation Board, on the CCA WASC accreditation committee, and in supporting and leading non-profit and educational boards across our community make her an ideal candidate for the SDUHSD Board.” – Malcolm Aste, Senior Director of Development, UC San Diego

“Ms. Bronstein has been an ardent supporter and leader of the Vista Hill Council on Mental Health for more than a decade. Her strategic and collaborative methods to filling the unmet needs of special education students with intellectual and developmental disabilities has been invaluable to Vista Hill’s Stein Education Centers. We appreciate Julie’s empathetic and high-level of comprehension of the vulnerability of Vista Hill’s underserved populations and her proactive approach to resolving complex issues.” – Rachel Peniche, Executive Director, Friends of Vista Hill

“Julie has been such a guiding light for the Autism community since 2007. She has been a tireless advocate and leader in creating brighter futures for children with Autism and their families.” – Dayna Kay Hoff, MBA, Co-Founder & Volunteer Executive Director, Autism Tree Project Foundation

“I trust Julie’s perspective as a district parent, and her expertise in working in an educational institute will be tremendously valuable for the board. I have served on the CCA Foundation board with her and am very impressed with her positive, collaborative, and compassionate leadership style. She will make sure different views are heard and will be an excellent trustee on the SDUHSD board.” –Ying Yang, parent, CCA, Trustee Area 5

“Julie Bronstein brings both passion and perspective as a parent of three SDUHSD students to everything she does within this realm. Her dedication is evidenced by her involvement in the CCA Foundation, her participation in welcoming all students, and her willingness to volunteer in any capacity. She is a staunch supporter of teachers, public education, and particularly of special education. Julie’s wisdom, experience, and insight make her an asset to SDUHSD.” – Jennifer M.D. Ramirez, M. Ed., (she/her), CCA Special Education Department Chair, Licensed Be Body Positive Facilitator

“Julie is a great parent to three wonderful students who have attended CVMS, CCA and PTMS. She really cares about the quality of education for all students and can bring new perspectives and reasoned approaches to our school board.” – Negar & Bahman Yazdani, parents, PTMS and TPHS, Trustee Area 5

“Julie forms her opinions independently, using the best available information, and is an individual who is highly regarded within the community, through both her work at UC San Diego and through district volunteerism. As an advocate for all students, and a strong proponent of student mental health, Julie would be a fantastic addition to our school board.” – Patricia Lee, parent, TPHS and CCA, Trustee Area 5

“I’m happy to support Julie Bronstein as a school board candidate. Julie is dedicated to her community and is a poised advocate for issues she believes in.” – Emily Rubenstein Engel, MD, FAHS, FAAN, parent, CVMS, Trustee Area 5

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: April 19, 2021

BOARD MEETING DATE: April 22, 2021

PREPARED BY: Mark Miller, Deputy Superintendent

SUBMITTED BY: Robert A. Haley, Ed.D., Superintendent

SUBJECT: Enrollment

EXECUTIVE SUMMARY

District Staff will give an update of the student enrollment numbers from the Fall and Spring 2020-2021 semesters and share enrollment projections for the Fall 2021 school year.

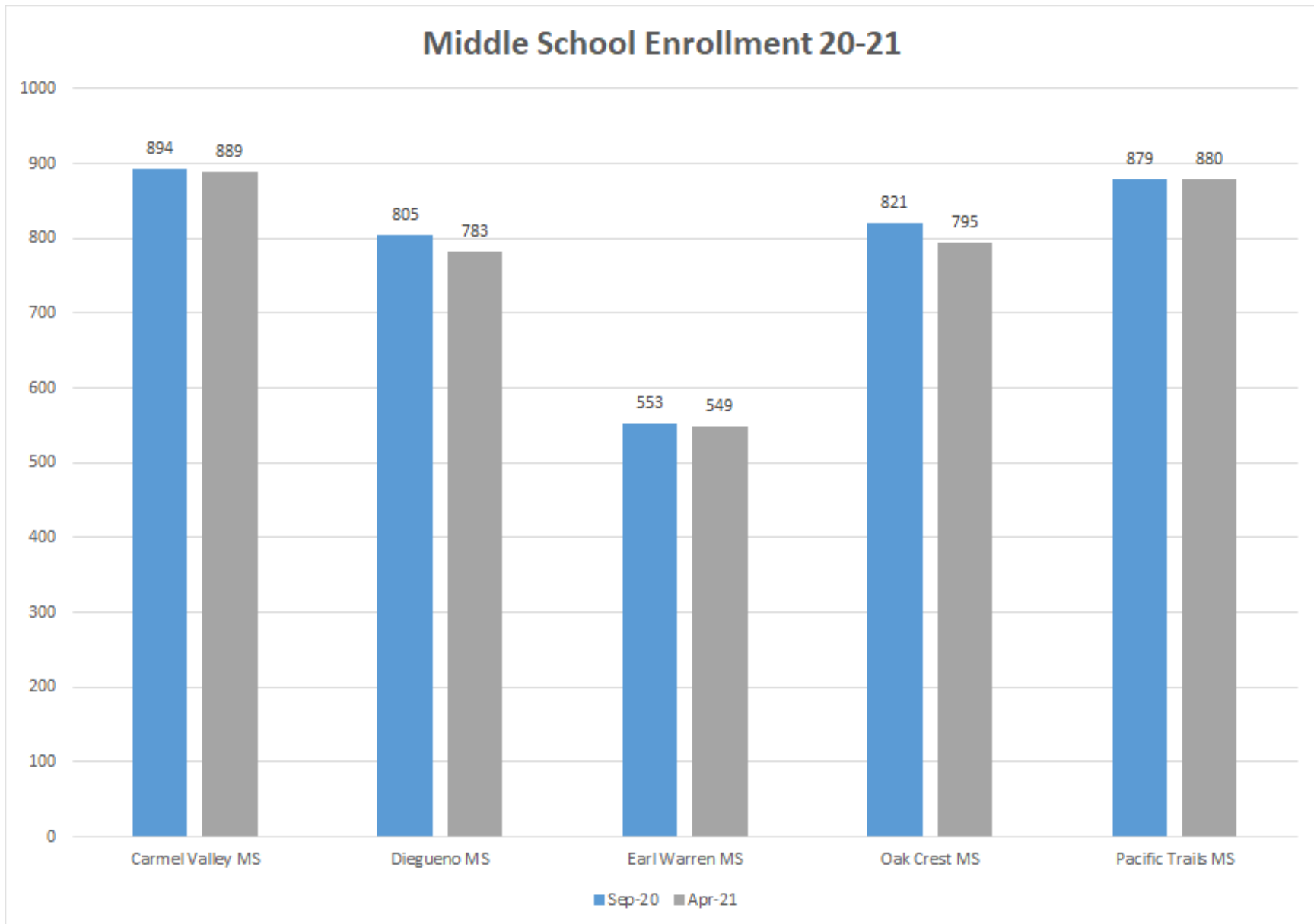
RECOMMENDATION:

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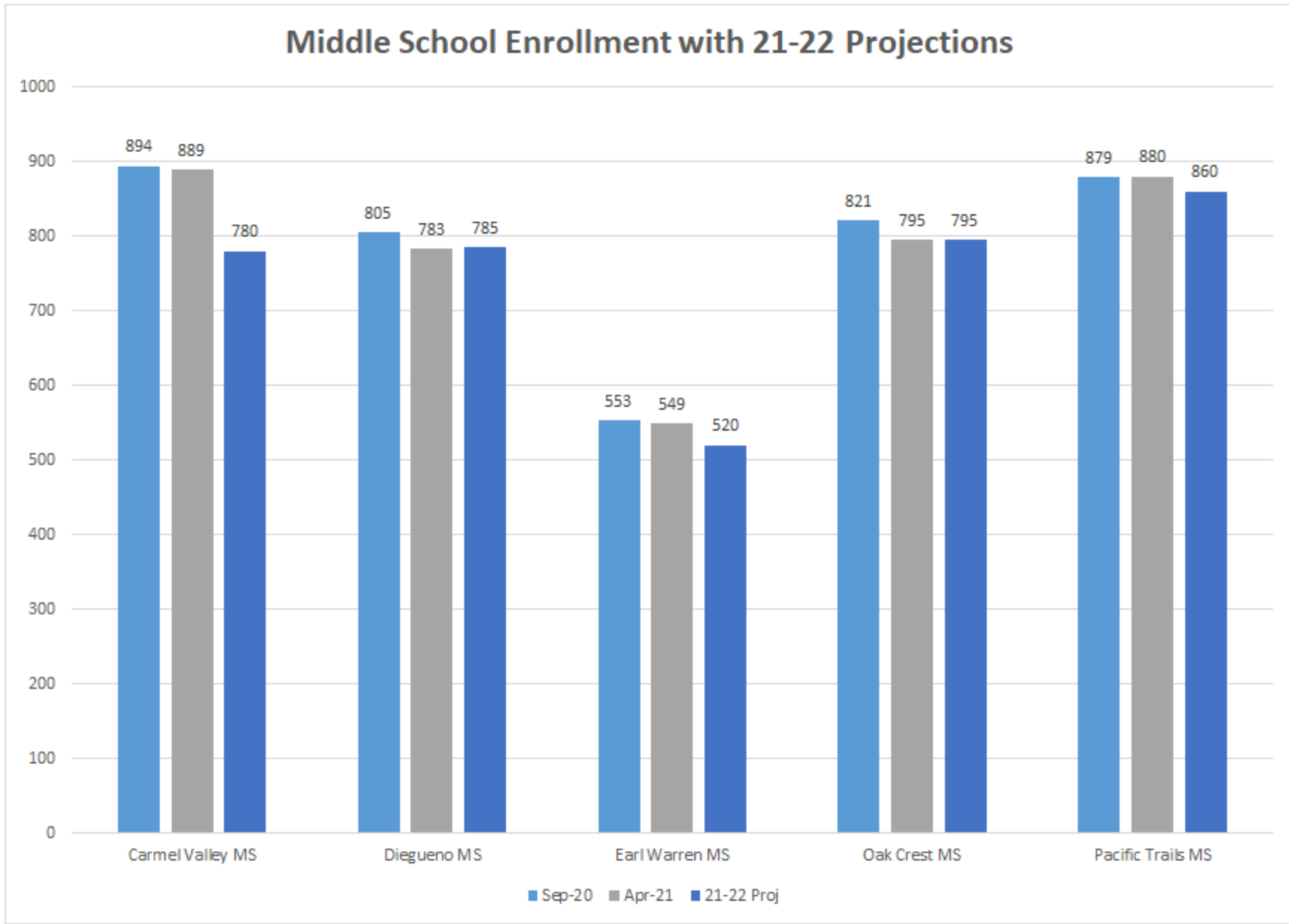
FUNDING SOURCE:

N/A

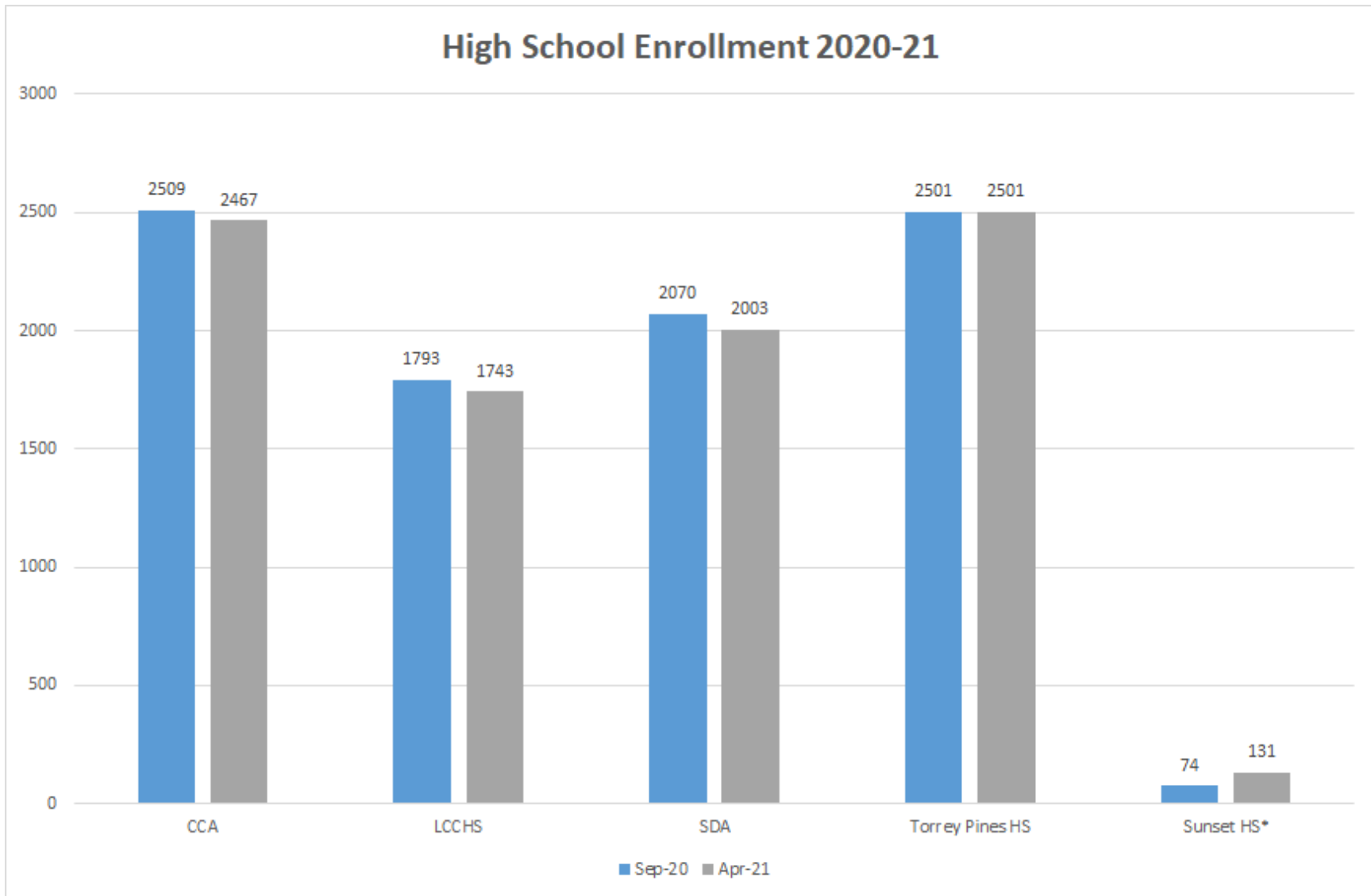
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