

A G E N D A
BOARD OF EDUCATION MEETING
RIVERSIDE UNIFIED SCHOOL DISTRICT
Board Room
6735 Magnolia Avenue, Riverside, California

BOARD OF EDUCATION:
MRS. PATRICIA
LOCK-DAWSON,
PRESIDENT
MR. TOM HUNT,
VICE PRESIDENT
MRS. KATHY ALLAVIE,
CLERK
MRS. GAYLE CLOUD
AND MR. BRENT LEE,
MEMBERS



Closed Session – 4:30 p.m.

December 8, 2014

Open Session – 5:30 p.m.

Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification of accommodation in order to participate in a meeting should direct such request to the District Superintendent at 788-7135, Ext. 80402 at least 48 hours before the meeting, if possible.

As required by Government Code 54957.5, agenda materials can be reviewed by the public at the District's administrative offices, Reception Area, First Floor, 3380 Fourteenth Street, Riverside, California.

At approximately 9:00 p.m., the Board of Education will determine which of the remaining agenda items can be considered and acted upon prior to 9:30 p.m., and may continue all other items on which additional time is required until a future meeting. All meetings are scheduled to end at 9:30 p.m.

CALL MEETING TO ORDER – 4:30 p.m.

ESTABLISHMENT OF A QUORUM OF THE BOARD OF EDUCATION

PUBLIC PARTICIPATION ON CLOSED SESSION MATTERS

CLOSED SESSION

The Board of Education will recess to Closed Session at 4:30 p.m. to discuss:

1. Consideration of Pupil Services Matters Pursuant to Education Code Sections 35146 and 48918
2. Conference With Labor Negotiator Pursuant to Government Code Section 54957.6

District Representative:	David C. Hansen, Ed.D. District Superintendent
Employee Organizations:	Riverside City Teachers Association California School Employees Association

3. Real Property Negotiations Pursuant to Government Code Section 54956.8 to Discuss the Price and Terms of Purchase and/or Sale of Real Property

District Negotiator:	Kirk R. Lewis, Ed.D., Assistant Superintendent Operations
Property:	APN #266-040-050, Riverside

December 8, 2014

2. **Selection of Day, Dates, Time, and Location of Regular Board Meetings for 2015** District Superintendent Action

A list of proposed dates for regular meetings of the Board of Education has been received by the Board.

Moved _____ Seconded _____ Vote _____

3. **Selection of Day, Time, and Location of 2015 Annual Organizational Meeting** District Superintendent Action

It is recommended that December 7, 2015, be adopted as the Annual Organizational Meeting.

Moved _____ Seconded _____ Vote _____

4. **Certification of Authorized Signatures** District Superintendent Action

A sample of the Certificate of Signatures has been received by the Board. These signatures are necessary for the purpose of signing orders drawn on the funds of the District and notices of employment.

Moved _____ Seconded _____ Vote _____

RECESS PUBLIC SESSION

CONVENE THE BOARD OF DIRECTORS OF THE RIVERSIDE UNIFIED SCHOOL DISTRICT SCHOOL FACILITIES CORPORATION ANNUAL MEETING

1. **Meeting of the Board of Directors of the Riverside Unified School District School Facilities Corporation – Election of Officers** District Superintendent Action

The Board of Directors of the Riverside Unified School District School Facilities Corporation will hold a meeting to conduct an election to fill offices of the corporation.

Election of Officers
(Positions currently held by the following)
Chairman – Patricia Lock-Dawson
Vice Chairman – Tom Hunt
Chief Financial Officer – Michael H. Fine
Secretary – Kathy Allavie

Moved _____ Seconded _____ Vote _____

ADJOURN THE BOARD OF DIRECTORS OF THE RIVERSIDE

UNIFIED SCHOOL DISTRICT SCHOOL FACILITIES CORPORATION ANNUAL MEETING

CONVENE THE BOARD OF DIRECTORS OF THE RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY ANNUAL MEETING

1. Meeting of the Board of Directors of the Riverside Unified School District Financing Authority – Election of Officers

District Superintendent Action

The Board of Directors of the Riverside Unified School District Financing Authority will hold a meeting to conduct an election to fill offices of the corporation.

Election of Officers

(Positions currently held by the following)

Chairman – Patricia Lock-Dawson

Vice Chairman – Tom Hunt

Chief Financial Officer – Michael H. Fine

Secretary – Kathy Allavie

Moved _____ Seconded _____ Vote _____

ADJOURN THE BOARD OF DIRECTORS OF THE RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY ANNUAL MEETING

RECONVENE PUBLIC SESSION OF REGULAR MEETING

SECTION A – PRESENTATIONS

A.1 Recognition of Real Property Advisory “7-11” Committee Members

Asst. Supt. Operations 7

The Board of Education will recognize the members of the Real Property Advisory “7-11” Committee.

A.2 Presentation of California State Senate Resolution Honoring Former Board of Education Member Arthur L. Littleworth

District Superintendent 8

State Senator Richard D. Roth will present a resolution from the California State Senate honoring former Board of Education member Arthur L. Littleworth for his service to our community.

SECTION B – DISTRICT SUPERINTENDENT’S REPORT

SECTION C – REPORTS BY HIGH SCHOOL REPRESENTATIVES

C.1 High School Representatives

District
Superintendent

*Kiera Reshaw – Arlington High School
Reysha Patel – Martin Luther King High School
David Andrade – Abraham Lincoln High School*

SECTION D – PUBLIC INPUT

*Public Input provides an opportunity for citizens to make suggestions, identify concerns, or request information about matters affecting the school District for items **NOT on the agenda**. Complaints against employees will normally be heard in Closed Session, and the District’s complaint procedure should be followed before discussion with the Board.*

Individuals or groups who wish to address the Board are requested to fill out a “Request to Address the Board of Education” card located on the table at the back of the Board Room. Comments or presentations should be limited to three minutes or less.

Pursuant to the Brown Act, Board of Education members cannot discuss or take action on any item which does not appear on the Consent and Action Calendars of the agenda. The Board of Education may provide a reference to staff or other resources of information, request staff to report back at a subsequent meeting, or direct staff to place an item on a future agenda.

SECTION E – DISTRICT EMPLOYEE GROUP REPORTS

E.1 Riverside Council PTA Presentation by Ms. Sandie Page, President

District
Superintendent

Ms. Sandie Page will report on the activities and accomplishments of the Riverside Council Parent Teacher Association (PTA).

E.2 CSEA Presentation by Mr. Daniel Rudd, President, Riverside Unified School District, Chapter #506

District
Superintendent

Mr. Daniel Rudd will report on the activities and accomplishments of the California School Employees Association (CSEA).

SECTION F – CONSENT

Moved _____ Seconded _____ Vote _____

All items listed under the Consent Calendar are considered by the Board to be routine and will be enacted by the Board in one motion. There will be no discussion of these items prior to the time the Board votes on the motion unless members of the Board request specific items to be removed from the Consent Calendar.

F.1 Minutes of Board Meetings

District Superintendent Consent 9-17

*November 17, 2014 – Regular Board Meeting
December 1, 2014 – Special Board Meeting*

F.2 Resolution No. 2014/15-23 – Resolution of the Board of Education of the Riverside Unified School District Adopting an Amended Conflict of Interest Code Pursuant to the Political Reform Act of 1974

District Superintendent Consent 18-28

The Board of Education will be asked to approve Resolution No. 2014/15-23 adopting an amended Conflict of Interest Code.

F.3 Acceptance of Gifts and Donations to the District

Deputy Supt. Business Consent 29-30

Individuals and entities may make gifts or donations of usable items or money to the District. Gifts or donations of \$100 or more in value are accepted and acknowledged by the Board of Education.

F.4 Warrant List No. 9

Deputy Supt. Business Consent 31-37

The payment for the purchase of goods, materials, and services is done in school districts with checks called warrants. Warrant lists are presented to the Board of Education for ratification.

F.5 Donation of E-Waste Equipment

Deputy Supt. Business Consent 38-53

From time to time, the District needs to dispose of items that are surplus or obsolete. As an alternative, some items may be donated. Approval is requested for the disposal of surplus items otherwise constituting E-Waste (electronic waste) through donation to a charitable organization.

F.6 Resolutions

Deputy Supt. Business Consent 54-60

Resolution No. 2014/15-18 – Resolution of the Board of

**Education of the Riverside Unified School District
Authorizing the Maintenance of Bank Accounts, and
Approving the Authorized Signatures for Such Bank
Accounts**

It is necessary to update the authorized signatures for the Frank Augustus Miller Middle School Associated Student Body (ASB) account.

**Resolution No. 2014/15-19 – Resolution of the Board of
Education of the Riverside Unified School District to
Appropriate Revenues, Expenditures, and Fund Balance**

Funds have been received or are anticipated to be received by the school district. The school district is also recognizing the lower than anticipated 2014/2015 Local Control Funding Formula revenue. Revenue lists are presented to the Board of Education for adoption.

F.7 Change Orders

Deputy Supt. Consent 61-85
Business

**Approval of Change Order No. 2 – Bid No. 2013/14-07 –
Category 02 – Concrete – Liberty Elementary School Wing
Addition**

A change is recommended in the scope of work for the Concrete category at the Liberty Elementary School Wing Addition.

**Approval of Change Order No. 2 – Bid No. 2013/14-10 –
Category 5 – Rough Carpentry – Liberty Elementary
School Wing Addition**

A change is recommended in the scope of work for the Rough Carpentry category at the Liberty Elementary School Wing Addition.

**Approval of Change Order No. 1 – Bid No. 2013/14-17 –
Category 12 – Fire Sprinklers – Liberty Elementary School
Wing Addition**

A change is recommended in the scope of work for the Fire Sprinklers category at the Liberty Elementary School Wing Addition.

**Approval of Change Order No. 1 and No. 2 – Bid No.
2013/14-18 – Category 13 – Miscellaneous Trades – Liberty
Elementary School Wing Addition**

A change is recommended in the scope of work for the Miscellaneous Trades category at the Liberty Elementary School Wing Addition.

Approval of Change Order No. 1 and No. 2 – Bid No. 2013/14-20 – Category 15 – Mechanical Systems – Liberty Elementary School Wing Addition

A change is recommended in the scope of work for the Mechanical Systems category at the Liberty Elementary School Wing Addition.

F.8 Notices of Completion

Deputy Supt. Consent 86-106
Business

Notice of Completion – Purchase Order C6003159 – Bid No. 2013/14-07 – Category 02 – Concrete – Liberty Elementary School Wing Addition

A Notice of Completion is recommended for Concrete – Liberty Elementary School Wing Addition.

Notice of Completion – Purchase Order C6003126 – Bid No. 2013/14-10 – Category 5 – Rough Carpentry – Liberty Elementary School Wing Addition

A Notice of Completion is recommended for Rough Carpentry – Liberty Elementary School Wing Addition.

Notice of Completion – Purchase Order C6003152 – Bid No. 2013/14-17 – Category 12 – Fire Sprinklers – Liberty Elementary School Wing Addition

A Notice of Completion is recommended for Fire Sprinklers – Liberty Elementary School Wing Addition.

Notice of Completion – Purchase Order C6003133 – Bid No. 2013/14-18 – Category 13 – Miscellaneous Trades – Liberty Elementary School Wing Addition

A Notice of Completion is recommended for Miscellaneous Trades – Liberty Elementary School Wing Addition.

Notice of Completion – Purchase Order C6003134 – Bid No. 2013/14-19 – Category 14 – Electrical – Liberty Elementary School Wing Addition

A Notice of Completion is recommended for Electrical – Liberty Elementary School Wing Addition.

Notice of Completion – Purchase Order C6003191 – Bid No. 2013/14-20 – Category 15 – Mechanical Systems – Liberty Elementary School Wing Addition

A Notice of Completion is recommended for Mechanical Systems – Liberty Elementary School Wing Addition.

Notice of Completion – Purchase Order C6003157 – Bid No. 2013/14-24 – Category 19 – Landscape – Liberty Elementary School Wing Addition

A Notice of Completion is recommended for Landscape – Liberty Elementary School Wing Addition.

F.9 Field Trips

Asst. Supt. Consent 107-119
Curr. & Inst.
K-12

Out-of-State Field Trip – Riverside Polytechnic High School

The Riverside Polytechnic High School Varsity Song Team is requesting to travel to Orlando, Florida, to participate in the National Dance Team Championships, January 30 – February 3, 2015.

Out-of-State Field Trip – John W. North High School

The John W. North High School Law and Protective Services Academy is requesting to travel to Washington, D.C., to tour the White House, United States Capital and the United States Supreme Court Buildings and other historic sites February 12 - February 18, 2015.

Out-of-Country Field Trip – John W. North High School

The John W. North High School Boys' Varsity Basketball Team along with student leaders and Chinese language students are requesting pre-approval to travel to Jiangmen, China, to learn about Chinese culture and history along with competing in an All Star Team basketball game March 29- April 9, 2015.

F.10 Approval of Head Start Progress Reports for September and October 2014

Asst. Supt. Consent 120-122
Curr. & Inst.
K-12

Required monthly update regarding Head Start activities and budget.

- | | | | | |
|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|---------|------------------------|
| F.11 | Facilities Expansion Plan for Riverside STEM Academy for the 2015-2016 School Year | Asst. Supt.
Operations | Consent | 123 |
| | <i>Approval is requested for the expansion of facilities for the Riverside STEM Academy to include 11th grade for the 2015-2016 school year and for implementing a Feasibility Study/ Conceptual Design process to determine and address the long term permanent facility needs.</i> | | | |
| F.12 | Approval of a Tentative Agreement Between the Riverside Unified School District and Its Employees Represented by the Riverside City Teachers Association | Asst. Supt.
Personnel | Consent | 124-341 |
| | <i>It is recommended that the Board of Education approve the 2013-2016 Agreement for the Certificated Bargaining Unit, Riverside Unified School District and Riverside City Teachers Association for employees represented by the Riverside City Teachers Association.</i> | | | |
| F.13 | Recommended Actions From the Administrative Hearing Panel and/or the Executive Director, Pupil Services/SELPA and Adoption of the Findings of Fact for All Approved Cases | Exec. Director
Pupil Serv./SELPA | Consent | Confidential
Insert |
| | Cases for Expulsion | | | |
| | <i>Consistent with Administrative Regulation #5144.1, principals may suspend students who are in violation of Education Code Section 48900 and Board Policy #5144.1. Certain violations identified in Education Code Section 48915 are of a serious nature that require recommendation to the Board of Education for expulsion.</i> | | | |
| | Student Cases: #2014-031, #2014-036 | | | |
| | Cases for Expulsion With a Recommendation for Suspended Expulsion | | | |
| | <i>Education Code Section 48917 provides that a student who has been recommended for expulsion may have the expulsion suspended by the Board of Education. The suspended expulsion is valid for the term of the original expulsion order. The student is placed upon school probation, assigned to a school program, and must remain there until the conditions identified in the Rehabilitation Plan are met.</i> | | | |
| | Student Cases: #2014-023, #2014-024, #2014-025, #2014-029, | | | |

#2014-030, #2014-032, #2014-033, #2014-035, #2014-037,
#2014-038

**Case for Revocation of a Suspended Expulsion that Reverts
Back to a Full Expulsion**

Students who violate the conditions of their Rehabilitation Plan while on a suspended expulsion may have the suspension of their original expulsion order revoked and may thereby be expelled under the terms of the original expulsion order.

Student Case: #2014-005

F.14 Certificated Personnel Assignment Order CE 2014/15-09 Asst. Supt. Personnel Consent 342-344

The latest District's management, certificated personnel actions are presented to the Board of Education for approval.

F.15 Classified/Non-Classified Personnel Assignment Order CL 2014/15-09 Asst. Supt. Personnel Consent 345-350

The latest District's classified personnel actions are presented to the Board of Education for approval.

SECTION G – REPORT/DISCUSSION

G.1 Disclosure of Tentative Agreements Between Riverside Unified School District and Its Employees Represented by the Riverside City Teachers Association Asst. Supt. Personnel Report 351-372

This item represents the public disclosure of the terms and conditions, including financial impact, of Tentative Agreements for employees represented by the Riverside City Teachers Association.

G.2 Disclosure of Tentative Agreements Between Riverside Unified School District and Its Employees Represented by the California School Employees Association, Chapter 506 Asst. Supt. Personnel Report 373-453

This item represents the public disclosure of the terms and conditions, including financial impact, of Tentative Agreements for employees represented by the California School Employees Association, Chapter 506.

SECTION H – ACTION

H.1 Resolution No. 2014/15-22 – Resolution of the Board of Asst. Supt. Action 454-458

Education of the Riverside Unified School District Granting the Charter Petition for the Establishment of Encore High School for the Arts-Riverside

Curr. & Inst.
K-12

Petitioners for Encore High School for the Arts-Riverside submitted a Charter Petition for consideration by the Board. Approval of Resolution No. 2014/15- 22 grants the Charter Petition.

Moved _____ Seconded _____ Vote _____

- H.2 Resolution No. 2014/15-20 – Resolution of the Board of Directors of the Riverside Unified School District Financing Authority Authorizing the Issuance of Revenue Bonds for the Purpose of Purchasing Bonds of Community Facilities Districts Nos. 10, 13 (Improvement Area No. 1), 14, 15 (Improvement Area No. 2), 17, 18, 21 (Improvement Area No. 2), 22 and 24 of Riverside Unified School District, Authorizing and Directing the Execution and Delivery of an Indenture of Trust, A Bond Purchase Contract, A Bond Purchase Agreement, and a Continuing Disclosure Agreement, Approving an Official Statement, and Authorizing Other Actions**

Deputy Supt.
Business

Action 459-820

The Board of Directors of the Riverside Unified School District Financing Authority will consider adopting Resolution No. 2014/15-20 authorizing the issuance of revenue bonds for the purpose of purchasing bonds of Community Facilities Districts Nos. 10, 13 (Improvement Area No. 1), 14, 15 (Improvement Area No. 2), 17, 18, 21 (Improvement Area No. 2), 22 and 24, and approving various related agreements, statements and other actions.

Moved _____ Seconded _____ Vote _____

- H.3 Resolution No. 2014/15-21 – Resolution of the Board of Education of the Riverside Unified School District Authorizing the Issuance of Bonds of Certain Community Facilities Districts Designated 2015 Special Tax Revenue Refunding Bonds for the Purpose of Defeating and Refunding the Outstanding Bonds of Said Districts, Appointing Fiscal Agent and Escrow Agent, Approving Bond Purchase Agreement and Authorizing Negotiation of Terms of the Sale of Said Bonds, Approving Preliminary Official Statement and Authorizing Preparation of Final Official Statement, Approving Continuing Disclosure Agreement, Authorizing Obtaining Ratings of Said Bonds and Purchase of Municipal Bond Insurance**

Deputy Supt.
Business

Action 821-1277

The Board of Education will consider adopting Resolution No. 2014/15-21 authorizing the issuance of special tax revenue refunding bonds for Community Facilities Districts Nos. 10, 13 (Improvement Area No. 1), 14, 15 (Improvement Area No. 2), 17, 18, 21 (Improvement Area No. 2), 22 and 24, and approving various related agreements and statements.

Moved _____ Seconded _____ Vote _____

H.4 2014-2015 First Period Interim Report

Deputy Supt. Business Action 1278-1371

California Education Code Section 42130 and 42131, which incorporate provisions of AB1200, requires each district in the State of California to file interim reports twice each fiscal year. The first report covers the financial and budgetary status of the District for the period ending October 31, 2014.

Moved _____ Seconded _____ Vote _____

H.5 California School Boards Association’s Delegate Assembly Riverside Unified School District Representative Appointment

District Superintendent Action 1372-1378

The Board of Education is being asked to appoint a representative to the CSBA’s Delegate Assembly to fill this position.

Moved _____ Seconded _____ Vote _____

H.6 Nominations for the California School Boards Association’s Delegate Assembly

District Superintendent Action 1379-1388

CSBA Subregion 18A has nine (9) Delegate Assembly positions that expire in 2015.

Moved _____ Seconded _____ Vote _____

H.7 Library Book Reconsideration

Asst. Supt. Curr. & Inst. K-12 Action 1389

Discussion and consideration of whether to adopt report of Library Reconsideration Committee or make other decision and/or take other action regarding the book, *The Fault in Our Stars*.

Moved _____ Seconded _____ Vote _____

SECTION I – CONCLUSION

- I.1 Board Members' Comments**
- I.2 District Superintendent's Announcements**
- I.3 Agenda Items for Future Meetings**
Tuesday, January 20, 2015 – Regular Board Meeting

ADJOURNMENT

The next regular meeting of the Board of Education is scheduled for Tuesday, January 20, 2015. The meeting will be called to order at 4:30 p.m. in the Board Room at 6735 Magnolia Avenue, Riverside, California. The Board will adjourn to Closed Session from 4:30 to 5:30 p.m., at which time the Board of Education will reconvene in Open Session.

**Board Meeting Agenda
December 8, 2014**

Topic: Board of Education Annual Organizational Meeting

Presented by: David C. Hansen, Ed.D., District Superintendent

Responsible

Cabinet Member: David C. Hansen, Ed.D., District Superintendent

Type of Item: Action

Short Description: In accordance with the Education Code, the Board of Education is required to hold an Annual Organizational Meeting to elect officers, adopt dates, time, and location of regular Board meetings, select the date for the next annual organizational meeting, and certify authorized signatures.

DESCRIPTION OF AGENDA ITEM:

The District Superintendent will call the meeting to order.

Election of Board of Education Officers

The District Superintendent will conduct the election for the office of president of the Board of Education. The newly elected president will then preside over the election of the following Board offices: vice president, clerk, and delegate to the County Committee on School District Organization.

Selection of Day, Dates, Time, and Location of Regular Board Meetings for 2015

A list of proposed dates for regular meetings of the Board is attached. The regular days for Board meetings are the first and third Mondays of each month except where noted. Special meetings may be, and in the past have been, called when the need for additional Board action arises. It is recommended that the Board continue meet in Public Session at 5:30 p.m. for Regular Meetings and Study Sessions at 4:30 p.m., unless stated otherwise. It is also recommended that the meetings continue to be held at the Board Room, 6735 Magnolia Avenue, Riverside, California.

Selection of Day, Time, and Location of the 2015 Annual Organizational Meeting

It is recommended that the Board designate Monday, December 7, as the 2015 Annual Organizational Meeting.

Certification of Authorized Signatures

Each year the Riverside County Office of Education requires that the District submit names and signatures of personnel authorized to sign orders drawn on the funds of the school District and to sign notices of employment. A copy of the form is attached.

FISCAL IMPACT: None

RECOMMENDATION: It is recommended that the Board of Education elect Board officers; adopt the day, dates, time, and location of regular Board meetings; adopt a day, time and location of the 2015 annual organizational meeting; and certify the signatures of personnel authorized to sign orders drawn on the funds of the District and to sign notices of employment.

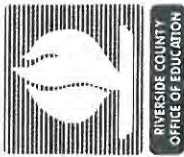
ADDITIONAL MATERIAL: Proposed 2015 Board of Education Meetings and Certification of Signatures.

Attached: Yes

**RIVERSIDE UNIFIED SCHOOL DISTRICT
PROPOSED
2015 BOARD OF EDUCATION MEETINGS**

First and Third Mondays
(except where noted)
5:30 p.m. Regular Meeting (Public Session)
4:30 p.m. Study Session
6735 Magnolia Avenue
Riverside, California 92506

Regular Meeting	January 20 (<i>3rd Tuesday</i>) (<i>January 19 – Martin Luther King Holiday</i>) (<i>Only one regular meeting in January</i>)
Regular Meeting	February 2
Study Session	February 17 (<i>Tuesday</i>) (<i>February 16 – President’s Day</i>)
Regular Meeting	March 2
Study Session	March 16
Regular Meeting	April 13 (<i>2nd Monday</i>) (<i>Only one regular meeting in April</i>)
Regular Meeting	May 4
Study Session	May 18
Regular Meeting	June 1
Study Session	June 22 (<i>4th Monday</i>)
Regular Meeting	July 20 (<i>3rd Monday</i>) (<i>Only one regular meeting in July</i>)
Regular Meeting	August 17 (<i>3rd Monday</i>) (<i>Only one regular meeting in August</i>)
Regular Meeting	September 7
Study Session	September 21
Regular Meeting	October 5
Study Session	October 19
Regular Meeting	November 2
Study Session	November 16
Regular Meeting	December 7 (<i>Annual Organizational Meeting</i>) (<i>Only one regular meeting in December</i>)



Division of Administration and Business Services
District Fiscal Services

County Use Only:

Date Received: _____
Approved By: _____

Certification of Signatures

District: Riverside Unified School District Date of Meeting: December 8, 2014

Please Check: Newly Elected Governing Board Addition in Column(s) _____ Replacement in Column(s) _____

Column I	Column II	Column III
<i>Signatures of Members of the Governing Board</i>	<i>Signatures of Personnel Authorized to Sign Warrant Orders and Orders for Salary Payments*</i>	<i>Signatures of Personnel Authorized to Sign Notices of Employment</i>
President of the Board	David C. Hansen, Ed.D., District Superintendent	David C. Hansen, Ed.D., District Superintendent
Clerk or Vice President of the Board	Michael H. Fine, Deputy Supt., Business Services	Susan Mills, Asst. Supt., Personnel-Leadership & Dev
Member of the Board	Dalia Gadelmawla, Mgr. Fiscal Services - Budget	Lynn Carmen Day, Chief Academic Officer
Member of the Board	Chenchira Jumnonngsilp, Mgr. Fiscal Services	Kyley Ybarra, Dir, Cert. Personnel-Leadership & Dev
Member of the Board	Jill M. Collier, Mgr Fisc.Ser.(B-Warrant Order-Only)	Vanessa Connor, Dir, Class. Personnel-Leader.&Dev.

*If the board has given special instructions for signing Warrant Orders, Orders for Salary Payment, or Notices of Employment, please attach a copy of the resolution to this form.

Number of signatures district requires for: Orders of Salary Payments : 1 "B" Warrant Orders: 1

I, _____, Clerk/Secretary of the Board of Trustees certify that the signatures shown below in Column I are the verified signatures of the members of the governing board; verified signatures of personnel authorized to sign orders drawn on the funds of the school district appear in Column II, and verified signatures of personnel authorized to sign Notices of Employment appear in Column III. No person other than an officer or employee of the district can be authorized to sign orders. These certifications are made in accordance with the provisions of Education Code Sections 42632, 42633, 44843, 85232, and 85233. If those authorized to sign orders as shown in Column II are unable to do so, the law requires the signatures of the majority of the governing board. Attached is the board agenda authorizing the following signatures

Signature: _____



District: Riverside Unified School District

Date of Meeting: December 8, 2014

Column I <i>Signatures of Members of the Governing Board</i>	Column II <i>Signatures of Personnel Authorized to Sign Warrant Orders and Orders for Salary Payments*</i>	Column III <i>Signatures of Personnel Authorized to Sign Notices of Employment</i>
Member of the Board	Annette Alvarez, Manager, Fiscal Services	Laurie Cole, Classified Personnel Administrator
Member of the Board		Qiana L. Adams, Credential Tech (NEAT Form Only)
Member of the Board		Jewel Bundy, Credential Tech (NEAT Form Only)
Member of the Board		Josie Alvarez, HR Tech (NEAT Form Only)
Member of the Board		Cheryl Carter, Credentials Tech (NEAT Form Only)
Member of the Board		Elizabeth Keefer, HR Tech (NEAT Form Only)
Member of the Board		Nina Moore, HR Tech (NEAT Form Only)
Member of the Board		Launa Whitlock, Ex. Secty 1 HR (NEAT Form Only)



District: Riverside Unified School District

Date of Meeting: December 8, 2014

Column I <i>Signatures of Members of the Governing Board</i>	Column II <i>Signatures of Personnel Authorized to Sign Warrant Orders and Orders for Salary Payments*</i>	Column III <i>Signatures of Personnel Authorized to Sign Notices of Employment</i>
Member of the Board		Michelle Cortes, Certificated Personnel Administrator
Member of the Board		Gina Scott, Contract Analyst
Member of the Board		Pamela Hyland, HR Tech (NEAT Form Only)
Member of the Board		Cristina Castellanos, HR Tech (NEAT Form Only)
Member of the Board		Lorena Garcia, Prog. Comp. Tech(NEAT Form Only)
Member of the Board		
Member of the Board		
Member of the Board		

**Board Meeting Agenda
December 8, 2014**

Topic: Recognition of Real Property Advisory “7-11” Committee Members

Presented by: Hayley Calhoun, Director, Planning and Development

Responsible

Cabinet Member: Dr. Kirk R. Lewis, Assistant Superintendent, Operations

Type of Item: Presentation

Short Description: The Board of Education will recognize the members of the Real Property Advisory “7-11” Committee.

DESCRIPTION OF AGENDA ITEM:

Members of the Real Property Advisory “7-11” Committee will be recognized for their outstanding efforts in analyzing the District properties for potential declaration as surplus in the September 15, 2014 report, Recommendations and Priorities for Use of District Sites.

FISCAL IMPACT: None.

RECOMMENDATION: This a presentation item only. No action is necessary.

ADDITIONAL MATERIAL: None

**Board Meeting Agenda
December 8, 2014**

Topic: Presentation of California State Senate Resolution Honoring Former Board of Education Member Arthur L. Littleworth

Presented by: David C. Hansen, Ed.D., District Superintendent

Responsible

Cabinet Member: David C. Hansen, Ed.D., District Superintendent

Type of Item: Presentation

Short Description: State Senator Richard D. Roth will present a resolution from the California State Senate honoring former Board of Education member Arthur L. Littleworth for his service to our community.

DESCRIPTION OF AGENDA ITEM:

State Senator Richard D. Roth will present a resolution from the California State Senate honoring former Board of Education member Arthur L. Littleworth. Mr. Littleworth, a partner with the Best Best & Krieger law firm, served on the Riverside Unified School District Board of Education from 1958-1972. He was President from 1962-1972 and played an integral role in the desegregation of Riverside schools in 1965. Mr. Littleworth has written a book about his experience during this time: *No Easy Way: Integrating Riverside Schools – A Victory for Community*, published by the Inlandia Institute. A special tribute ceremony in honor of Mr. Littleworth was held at Poly High School on November 15. The ceremony served as a time to launch Mr. Littleworth’s book and to rededicate the Arthur L. Littleworth Theater at Poly High School and unveil a new timeline mural in the renovated foyer. The timeline includes various local and national milestones in history and highlights Mr. Littleworth’s many accomplishments.

FISCAL IMPACT: None

RECOMMENDATION: None. Presentation only.

ADDITIONAL MATERIAL: None

This is an uncorrected copy of Board Minutes. The Minutes do not become official until they are approved by the Board at the next meeting.

**RIVERSIDE UNIFIED SCHOOL DISTRICT
MINUTES OF THE REGULAR MEETING OF THE BOARD OF EDUCATION
MONDAY, NOVEMBER 17, 2014
BOARD ROOM
6735 MAGNOLIA AVENUE, RIVERSIDE, CALIFORNIA**

CALL THE MEETING TO ORDER

Mrs. Lock-Dawson, Board President, called the meeting to order at 5:00 p.m.

MEMBERS PRESENT

Mrs. Patricia Lock-Dawson, Board President; Mr. Tom Hunt, Vice President; Mrs. Kathy Allavie, Board Clerk; Mrs. Gayle Cloud, Member; and Mr. Brent Lee, Member.

Also present were District Superintendent, Dr. David C. Hansen, members of the staff, and other interested citizens.

PUBLIC PARTICIPATION ON CLOSED SESSION MATTERS

There were no requests received to address the Board members regarding Closed Session items.

The Board adjourned to Closed Session at 5:00 p.m.

CLOSED SESSION

1. Consideration of Pupil Services Matters Pursuant to Education Code Sections 35146 and 48918
2. Conference With Labor Negotiator Pursuant to Government Code Section 54957.6

District Representative:	David C. Hansen, Ed.D., District Superintendent
Employee Organizations:	Riverside City Teachers Association California School Employees Association

RECONVENE OPEN SESSION

The Board reconvened in Open Session at 5:37 p.m. Mrs. Lock-Dawson announced that no formal action was taken by the Board during Closed Session.

MARTIN LUTHER KING HIGH SCHOOL NAVY JROTC COLOR GUARD PRESENTATION

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to our flag was led by Charlotte Petty, 6th grade student from Monroe Elementary School.

SECTION A – PRESENTATION

A.1 Recognition of John F. Kennedy Elementary School Principal Lisa Betts and Assistant Principal Gayle Baker With the RUSD Honor Roll Award

Dr. Hansen presented Principal Lisa Betts and Assistant Principal Gayle Baker with the RUSD Honor Roll Award for saving the life of a man who suffered an allergic reaction after he was stung by a bee.

SECTION B – DISTRICT SUPERINTENDENT’S REPORT

Dr. Hansen reported that on Wednesday of last week, our Sierra Middle School student Giovanni Valle was tragically struck by a car and killed on his way to school. He mentioned that staff and community members that would like to assist the family can send donations to the Giovanni Valle Memorial Account, c/o Altura Credit Union, he said the information is also available on our District website, or you can drop donations off at any Altura branch. He noted that a car wash was held at Sierra Middle School this weekend and \$ 8,521 was raised – and donations are still coming in.

Dr. Hansen reported that the Re-Dedication of the Art Littleworth Theater and Timeline Mural was a great success this weekend! He noted that Mr. Littleworth was extremely happy with the event and the beautiful timeline mural, and representatives from Inlandia appreciated all of the hard work that went into the event as well. He personally thanked Board Members Kathy Allavie and Gayle Cloud for the time they invested and our District staff that went above and beyond for the worthy event.

Dr. Hansen indicated that he and Antonio Garcia attended the Woodcrest Town Hall Meeting (with approximately 75 attendees) that was hosted by the Woodcrest Municipal Advisory Council on Thursday evening the 13th. He noted that It was a great event where several community leaders spoke (with him) which included: Riverside County Board of Supervisors Kevin Jefferies, the Fire Chief, and the Riverside County Sheriff. He said that RUSD hosted a booth and that several parents and community members stopped by to ask questions and receive information.

He discussed that on Thursday evening, RUSD students and staff were recognized as recipients of the 2014 Riverside Heroes Awards presented by the City of Riverside Human Relations Commission: Kate Weggeland, Riverside Polytechnic High School, was honored for her work to create her own non-profit, Uniquely Special, which supports special needs students; and Joseph Aleman, Matthew Gage Middle School, Campus Supervisor, was recognized for his many hours of volunteering with the boxing program at Villegas Park. In addition, Dr. Hansen said that three John W. North High School students were named 2014 Diversity Scholarship winners: Sylvia Bi, Kaylee Paul, and Tatiana Su.

In closing, Dr. Hansen reported since our last Board meeting, he has continued his walkthrough of classrooms at John F. Kennedy, Abraham Lincoln, the Educational Options Center, Riverside Adult School, and today at Victoria Elementary School.

Mrs. Lynn Carmen Day, Chief Academic Officer, reported that the Board accepted a donation from the Kiwanis Club of Riverside at their November 3, 2014 meeting. She noted that this Dictionary Project has been a project of the Kiwanis Club for 9 years, and thanked Mr. Booker Huling, former RUSD Principal and Coordinator of the Dictionary Project for the donation.

Mrs. Carmen Day discussed that at the last Board Instructional Subcommittee meeting that the Transitional Kindergarten program was discussed and will be brought back to the Board at a future meeting. She mentioned the Elementary Report Card Guide and said a copy was provided to Board members. She referenced that a Study Session to discuss the Riverside STEM Academy is scheduled for December 1. Mrs. Carmen Day stated that information was provided in the Board Mailout regarding the Riverside City Teachers Association (RCTA)/RUSD survey, and that more information would be

provided to Board members as it becomes available. She reported that one of our teachers from Matthew Gage Middle School, Robert Alvarez, has been chosen as an Outstanding Social Science Middle School Teacher of the Year.

SECTION C – REPORTS BY HIGH SCHOOL REPRESENTATIVES

C.1 Reports presented by John W. North, Riverside Polytechnic, and Ramona High Schools' Student Board Representatives.

SECTION D – PUBLIC INPUT

The following individual addressed the Board members: Mr. Paul Chavez mentioned his prior discussion about the Home Gardens Academy in Corona.

SECTION E – DISTRICT EMPLOYEE GROUP REPORT

E.1 RCTA Presentation by Mr. Tim Martin, President, Riverside City Teachers Association

Mr. Tim Martin provided a report on the activities and accomplishments of the Riverside City Teachers Association (RCTA).

SECTION F – CONSENT

Approval of the Consent Calendar was moved by Mr. Hunt and seconded by Mrs. Allavie and approved by members present, with the following roll call vote:

AYES: Allavie, Cloud, Hunt, Lee, Lock-Dawson
 NOES: None
 ABSENT: None
 ABSTAIN: None

Items in the Consent Calendar have been published with the agenda and copies are on file in the District administrative offices.

Mr. Hunt referenced the two individuals that are retiring on Page 137 (one with 26 and the other with 35 years of service to RUSD). He requested that District staff look at potential ways of recognizing individuals that have contributed to the service of our students for so many years.

SECTION G – REPORT/DISCUSSION

G.1 Fall 2014 Enrollment Report

Dr. Kirk Lewis, Assistant Superintendent Operations, introduced Ms. Hayley Calhoun, Director, Planning and Development, who reviewed a PowerPoint with the actual K-12 fall 2014 enrollment contrasted with projected enrollment and prior year's enrollment.

G.2 State Testing Update

Mrs. Carmen Day introduced Mr. Daniel Patterson, Director of Research Assessment and Evaluation, who shared a PowerPoint on State Assessments including name change from STAR to CAASPP, Smarter Balanced Assessments (SBAC), California Standards Tests (CST), Early Assessment Program (EAP), and Academic Performance Index (API).

G.3 Disclosure of a Tentative Agreement Between Riverside Unified School District and Its Employees Represented by the Riverside City Teachers Association

Mr. Michael Fine, Deputy Superintendent, Business Services and Government Relations, stated that this item represents the public disclosure of the terms and conditions, including financial impact, of a Tentative Agreement for employees represented by the Riverside City Teachers Association.

The Board members took a break from 6:57 to 7:13 p.m.

SECTION H – PUBLIC HEARING

H.1 Public Hearing – Charter School Petition Review

Mrs. Lock-Dawson opened the public hearing at 7:14 p.m.

Mr. Antonio Garcia, Assistant Superintendent, Curriculum and Instruction K-12, introduced Mrs. Gloria Cowder, Director, Program Development and Extended Learning, who discussed that the Board of Education is required to hold a public hearing, pursuant to California Education Code Section 47605(b), to consider the level of support for a charter school petition filed for the establishment of the Encore High School for the Arts-Riverside.

Ms. Denise Griffin, Chief Executive Officer (CEO); Mr. Stephen Dekany, Executive Officer of Enrollment/Recruitment; Mrs. Pamela Zabala Executive Director of Academics; Mr. Phillip Wallace, Executive Officer of Student Affairs; Ms. Nada Nasserdeen, Executive Director of Arts; and Mr. John Griffin, Chief Operations Officer, Encore Education Corporation; shared information about their program in Hesperia and discussed their vision to expand their program into the city of Riverside during 2015 with 400 students.

The following individuals addressed the Board members and spoke in favor of Encore High School for the Arts-Riverside: Mr. James Bengtson, Ms. Summer Reign Cummings, Ms. Fatima Cristerna-Adame; Mr. Lance Rush-Mills, Mr. Robert Gabler, Ms. Ashlin Lannerd, Mr. Don Miskulin, Ms. Janona Ciancio, Ms. Alissa Roseborough, and Mr. Craig Yarasiaki.

The following individuals addressed the Board members and spoke in favor of RUSDs programs: Mr. Brian Holm, Ms. Ann Grell, and Ms. Rhonda Barnes.

Mrs. Lock-Dawson closed the public hearing at 7:59 p.m.

It was moved by Mr. Hunt and seconded by Mrs. Allavie and was approved by the following roll call vote to close the Public Hearing:

AYES:	Allavie, Cloud, Hunt, Lee, Lock-Dawson
NOES:	None
ABSENT:	None
ABSTAIN:	None

Mr. Garcia said this item will be brought back on December 8 as an Action Item.

The Board took a break at 8:34 to 8:44 p.m.

SECTION I – ACTION

I.1 Board Policy #6161.12 – Selection, Adoption, and Reconsideration of Learning and Library Resources – Second Reading

Mr. Garcia reviewed a short PowerPoint discussing the changes to revised Board Policy #6161.12 – Selection, Adoption, and Reconsideration of Learning and Library Resources that has been prepared for the Board of Education’s consideration for Second Reading and approval.

The following individual addressed the Board members in support of the changes to Policy #6161.12, Ms. Adrienna Wong, ACLU, Staff Attorney. Mrs. Lock-Dawson asked for a written copy of Ms. Wong’s comments.

The item was moved by Mr. Hunt and seconded by Mr. Lee and was approved unanimously by the following roll call vote to approve Board Policy #6161.12 with the additional changes to strike the wording deemed appropriate, and to include a high school student in the Reconsideration Committee, if there is a challenge Dr. Hansen will notify the Board in his Weekly Update:

AYES: Allavie, Hunt, Lee, Lock-Dawson
 NOES: Cloud
 ABSENT: None
 ABSTAIN: None

The item was moved by Mr. Hunt and seconded by Mrs. Allavie and was approved by the following roll call vote to approve extending the meeting by 60-minutes:

AYES: Allavie, Cloud, Hunt, Lee, Lock-Dawson
 NOES: None
 ABSENT: None
 ABSTAIN: None

I.2 Approval of Substitute Teachers’ Employee Salaries Amended

Mrs. Susan Mills, Assistant Superintendent, Department of Personnel-Leadership and Development, discussed that staff is requesting approval for increasing the substitute teacher rates.

The item was moved by Mrs. Cloud and seconded by Mr. Lee and was approved by the following roll call vote to approve the Substitute Teacher Salaries effective November 11, 2014:

AYES: Allavie, Cloud, Hunt, Lee, Lock-Dawson
 NOES: None
 ABSENT: None
 ABSTAIN: None

I.3 Arlington High School Varsity Baseball Backstop Extension – Approval for Design Funding

Dr. Lewis reviewed that the Board of Education was being asked to approve the funding for the design of the Arlington High School Varsity Baseball Backstop Extension.

The item was moved by Mrs. Allavie and seconded by Mr. Hunt and was approved unanimously by the following roll call vote to approve the funding for the design of the Arlington High School Varsity Baseball Backstop Extension:

AYES: Allavie, Cloud, Hunt, Lee, Lock-Dawson
NOES: None
ABSENT: None
ABSTAIN: None

I.4 Ramona High School Theater Remodel Design and Budget Approval

Dr. Lewis, Ms. Calhoun, and Mr. David Eaves, LPA, reviewed a PowerPoint with the design and budget for the Ramona High School Theater Remodel project that was being presented for the Board of Education’s approval.

The following individual addressed the Board members regarding this item: Ms. Ann Grell requested before all the money is spent that the Board members finish the work that has not been completed at Martin Luther King High School.

The item was moved by Mr. Hunt and seconded by Mr. Lee and was approved unanimously by the following roll call vote to approve the item as submitted and include the seats.

AYES: Allavie, Cloud, Hunt, Lee, Lock-Dawson
NOES: None
ABSENT: None
ABSTAIN: None

I.5 Resolution No. 2014/15-16 – Resolution of the Board of Directors of the Riverside Unified School District Financing Authority Establishing Regular Meetings

Mr. Fine noted that this resolution establishes the regular meeting days and times for the Riverside Unified School District Financing Authority.

The item was moved by Mr. Hunt and seconded by Mrs. Cloud and was approved unanimously by the following roll call vote to approve Resolution No. 2014/15-16:

AYES: Allavie, Cloud, Hunt, Lee, Lock-Dawson
NOES: None
ABSENT: None
ABSTAIN: None

I.6 Resolution No. 2014/15-17 –Resolution of the Board of Education of the Riverside Unified School District in Support of the March Air Reserve Base and the Naval Surface Warfare Center Corona

The item was moved by Mr. Lee and seconded by Mrs. Allavie and was approved unanimously by the following roll call vote to approve Resolution No. 2014/15-17:

AYES: Allavie, Cloud, Hunt, Lee, Lock-Dawson
NOES: None
ABSENT: None
ABSTAIN: None

SECTION J – CONCLUSION

J.1 Board Members’ Comments

Mr. Lee stated that Mr. Huling was a former Principal at Magnolia Elementary School.

Mrs. Allavie read a thank you note that she had received, on behalf of the Board members, regarding the Littleworth event.

In regards to Charter schools coming to RUSD, Mr. Hunt discussed the need for RUSD to refocus on being a School of the Arts and to rethink extracurricular. He said that there should be a Cabinet position that concentrates on Plus 2, which will allow our District to focus on these items so that we can be more competitive.

Mrs. Cloud mentioned the busy schedule and attending the Riverside County School Boards Association (RCSBA) Closed Session Best Practices Brown Act meeting recently, and that we need to be very careful about our discussions. She said that she has Art Littleworth’s book from Inlandia. She mentioned attending a Common Core meeting on Saturday where the topics covered concerned parents and teachers. She said there was an article in *The Press-Enterprise* on Saturday, November 14 that shared information about the meeting and she was going to have Cheryl Anderson share the article with the other Board members.

Mrs. Lock-Dawson wished everyone a Happy Thanksgiving.

J.2 Next Board Meeting: December 8, 2014 – Annual Organizational Meeting

ADJOURNMENT

Mrs. Lock-Dawson adjourned the Public Session at 10:20 p.m. in memory of Giovanni Valle, our Sierra Middle School student who was tragically killed last week.

Kathy Allavie
Clerk
Board of Education

This is an uncorrected copy of Board Minutes. The Minutes do not become official until they are approved by the Board at the next meeting.

**RIVERSIDE UNIFIED SCHOOL DISTRICT
MINUTES OF THE SPECIAL BOARD OF EDUCATION MEETING
MONDAY, DECEMBER 1, 2014
ARLINGTON HIGH SCHOOL LIBRARY
2951 JACKSON STREET, RIVERSIDE, CALIFORNIA**

CALL MEETING TO ORDER

Mrs. Lock-Dawson, Board President, called the Special Board meeting to order at 4:38 p.m.

MEMBERS PRESENT

Mrs. Patricia Lock-Dawson, President; Mrs. Kathy Allavie, Clerk; Mrs. Gayle Cloud, Member; and Mr. Brent Lee, Member.

Also present were District Superintendent, Dr. David C. Hansen, members of the staff, and other interested citizens.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to our flag was led by Board Clerk Kathy Allavie.

Mr. Tom Hunt, Vice President, arrived at 4:40 p.m.

SECTION A – PUBLIC INPUT

There were no requests received to speak to the Board of Education.

SECTION B – DISTRICT SUPERINTENDENT’S REPORT

Dr. Hansen thanked the staff of Arlington High School for hosting the Special Board Meeting. He thanked the District staff who has prepared for this Study Session and for everyone who was in attendance this evening.

SECTION C – STUDY SESSION

C.1 Riverside STEM (Science, Technology, Engineering, Math) Academy High School – Five Year Plan

Mrs. Lynn Carmen Day, Chief Academic Officer, discussed the STEM planning days for 2015; Mr. Antonio Garcia, Assistant Superintendent, Curriculum and Instruction K-12 and Mr. Dale Moore, Principal, Riverside STEM Academy, reviewed a PowerPoint with information on the Riverside STEM Academy High School Five Year Plan. Mr. John Robertson, Instructional Services Specialist, Science, P.E., and Health, discussed Partnerships; Ms. Hayley Calhoun, Director, Planning and Development, reviewed the facilities’ needs.

The Board members took a break from 6:14 to 6:27 p.m.

Ms. Catherine Murray, Riverside STEM Academy High School ELA Teacher, and Ms. Michele Hampton, Riverside STEM Academy High School Science Teacher shared their thoughts about teaching at the Riverside STEM Academy High School. Miss Sophia Bautista, Riverside STEM Academy, High School ASB President, discussed some of the experiences she has had in high school at the Riverside STEM Academy. Mrs. Lisa Aguirre, Riverside STEM Academy Parent, Four-Year RSA Parent, provided information regarding concerns that she has with expansion of the school.

Mr. Hunt requested that the Board members receive a copy of the student and parent comments.

SECTION D – CONCLUSION

D.1 Board Members' Comments

There were no comments made by the Board members.

PUBLIC PARTICIPATION ON CLOSED SESSION MATTERS

There were no requests received to address the Board members regarding Closed Session items.

The Board adjourned to Closed Session at 7:28 p.m.

SECTION E – CLOSED SESSION

1. Conference With Legal Counsel – Anticipated Litigation Significant Exposure to Litigation Pursuant to Subdivision (d) of Section 54956.9: (1 case)

RECONVENE OPEN SESSION

The Board reconvened in Open Session at 8:02 p.m. Mrs. Lock-Dawson reported that no formal action was taken by the Board during Closed Session.

ADJOURNMENT

Mrs. Lock-Dawson adjourned the Public Session at 8:02 p.m.

Kathy Allavie
Clerk
Board of Education

**Board Meeting Agenda
December 8, 2014**

Topic: Resolution No. 2014/15-23 – Resolution of the Board of Education of the Riverside Unified School District Adopting an Amended Conflict of Interest Code Pursuant to the Political Reform Act of 1974

Presented by: David E. Hansen, Ed.D., District Superintendent

Responsible
Cabinet Member: David E. Hansen, Ed.D., District Superintendent

Type of Item: Consent

Short Description: The Board of Education will be asked to approve Resolution No. 2014/15-23 adopting an amended Conflict of Interest Code.

DESCRIPTION OF AGENDA ITEM:

The amended Conflict of Interest Code is being presented for Board approval and adoption. This Notice provides public notice of the District’s intention to amend the Code, as well as notice to all who will be affected by the amendment. Public notice was provided by posting the Notice in the same manner that the District normally posts its Board agenda. A copy of this Notice along with a copy of the Appendix of the Conflict of Interest Code was provided to each affected employee, and anyone who has specifically requested such a notice.

After the Board of Education adopts the resolution and approves the proposed amended Code, it must be approved by the District’s code-reviewing body. The code-reviewing body for the District is the Board of Supervisors of the County of Riverside. As soon as the Board of Education has approved and adopted the proposed amendment, the documents will be forwarded to Best, Best & Krieger to begin processing the amendment through the Board of Supervisors for approval. The effective date of the amended Code will be 30 days after the date of approval by the Board of Supervisors.

FISCAL IMPACT: None

RECOMMENDATION: Adoption of Resolution No. 2014/15-23 – Resolution of the Board of Education of the Riverside Unified School District Adopting an Amended Conflict of Interest Code Pursuant to the Political Reform Act of 1974.

ADDITIONAL MATERIAL: Resolution No. 2014/15-23 and Amendment to the Conflict of Interest Code

Attached: Yes

RESOLUTION NO. 2014/15-23

RESOLUTION OF THE BOARD OF EDUCATION OF THE RIVERSIDE UNIFIED SCHOOL DISTRICT ADOPTING AN AMENDED CONFLICT OF INTEREST CODE PURSUANT TO THE POLITICAL REFORM ACT OF 1974

WHEREAS, the State of California enacted the Political Reform Act of 1974, Government Code Section 81000 et seq. (the "Act"), which contains provisions relating to conflicts of interest which potentially affect all officers, employees and consultants of the Riverside Unified School District (the "District) and requires all public agencies to adopt and promulgate a conflict of interest code; and

WHEREAS, the Board of Education adopted a Conflict of Interest Code (the "Code") which was amended on November 13, 2012, in compliance with the Act; and

WHEREAS, subsequent changed circumstances within the District have made it advisable and necessary pursuant to Sections 87306 and 87307 of the Act to amend and update the District's Code; and

WHEREAS, notice of the time and place of a public meeting on, and of consideration by the Board of Education of, the proposed amended Code was provided each affected designated employee and publicly posted for review at the offices of the District; and

WHEREAS, a public meeting was held upon the proposed amended Code at a regular meeting of the Board of Education on December 8, 2014, at which all present were given an opportunity to be heard on the proposed amended Code.

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of the Riverside Unified School District that the Board of Education does hereby adopt the proposed amended Conflict of Interest Code, a copy of which is attached hereto and shall be on file with the Executive Assistant to the Superintendent and available to the public for inspection and copying during regular business hours;

BE IT FURTHER RESOLVED that the said amended Code shall be submitted to the Board of Supervisors of the County of Riverside for approval and said Code shall become effective immediately after the Board of Supervisors approves the proposed amended Code as submitted.

APPROVED AND ADOPTED this 8th day of December, 2014.

President, Board of Education
Riverside Unified School District

ATTEST:

Secretary, Board of Education
Riverside Unified School District

CONFLICT OF INTEREST CODE FOR THE
RIVERSIDE UNIFIED SCHOOL DISTRICT
(Amended December 8, 2014)

The Political Reform Act (Gov. Code § 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code Regs. § 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency’s code. After public notice and hearing Regulation 18730 may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This incorporation page, Regulation 18730 and the attached Appendix designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the **Riverside Unified School District** (the “**District**”).

All officials and designated positions required to submit a statement of economic interests shall file their statements with the **Executive Assistant** to the Superintendent as the District’s Filing Officer. The **Executive Assistant** shall make and retain a copy of all statements filed by Members of the Board of Education and the Superintendent, and forward the originals of such statements to the Clerk of the Board of Supervisors of the County of Riverside. The **Executive Assistant** shall retain the originals of the statements filed by all other officials and designated positions and make all statements available for public inspection and reproduction during regular business hours. (Gov. Code § 81008.)

APPENDIX

CONFLICT OF INTEREST CODE

OF THE

RIVERSIDE UNIFIED SCHOOL DISTRICT

(Amended December 8, 2014)

PART "A"

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

District Officials who manage public investments, as defined by 2 Cal. Code of Regs. § 18701(b), are NOT subject to the District's Code, but must file disclosure statements under Government Code Section 87200 et seq. [Regs. § 18730(b)(3)] These positions are listed here for informational purposes only.

It has been determined that the positions listed below are officials who manage public investments¹:

Members of the Board of Education

Superintendent

Director, Business Services

Deputy Superintendent, Business and Governmental Relations

Financial Consultants

¹

Individuals holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by § 87200.

DESIGNATED POSITIONS

GOVERNED BY THE CONFLICT OF INTEREST CODE

<u>DESIGNATED POSITIONS'</u> <u>TITLE OR FUNCTION</u>	<u>DISCLOSURE CATEGORIES</u> <u>ASSIGNED</u>
Assistant Director, Building Trades	3, 5
Assistant Director, Facilities Projects	2, 3, 5
Assistant Director, Maintenance and Operations – Grounds/Custodial	5
Assistant Director, Mechanical/Communications Trades	5
Assistant Director, Network Systems	5
Assistant Director, Pupil Services/SELPA	5
Assistant Personnel Administrator	5
Assistant Principal (ALL)	5
Assistant Superintendent, Common Core, K-12	5, 6
Assistant Superintendent, Curriculum and Instruction, K-12	5
Assistant Superintendent, Instructional Support	5
Assistant Superintendent, Network Information Systems	5
Assistant Superintendent, Operations	2, 4
Assistant Superintendent, Personnel - Leadership and Development	4
Budget Manager	5
Campus Manager	5
Chief Academic Officer	5

DESIGNATED POSITIONS'
TITLE OR FUNCTION

DISCLOSURE CATEGORIES
ASSIGNED

Child Welfare & Attendance Manager	5
Contract Analyst	1
Coordinator, Career and Technical Education	1
Coordinator, Early Childhood and Family Education	5
Coordinator, Pupil Services, SELPA	5
Coordinator, School, Family and Community Partnerships	5
Director, Certificated Personnel	5
Director, Classified Personnel	5
Director, Computing Services	5
Director, Education (ALL)	5
Director, Educational Options	5
Director, Innovation and Learner Engagement	5
Director, Instructional Services	5
Director, Maintenance & Operations	2, 3, 5
Director, Network Services	5
Director, Nutrition Services	5
Director, Planning and Development	2, 3, 5
Director, Program Development & Extended Learning Opportunities	1
Director, Program Quality/English Learner Services	5
Director, Risk Management	4

DESIGNATED POSITIONS'
TITLE OR FUNCTION

DISCLOSURE CATEGORIES
ASSIGNED

Director, Technology Services Manager	5
District Ombudsperson	1, 2, 7
Energy Education Specialist	5
Executive Assistant to the Superintendent	5
Executive Director, Pupil Services/SELPA	5
General Counsel	1, 2
Instructional Services Specialist (ALL)	5
Manager of Systems	5
Manager, Central Kitchen	5
Manager, Computer Applications	5
Manager, Fiscal Services	4
Manager, Grants and Project Development	5, 6
Manager, Network/Computer Services	5
Manager, Nutritional Services Operations	5
Manager, Publications	5
Manager, Purchasing	4
Network Specialist	5
Operations Manager	5
Principal (ALL)	5
Procurement Specialist	4

DESIGNATED POSITIONS'
TITLE OR FUNCTION

DISCLOSURE CATEGORIES
ASSIGNED

Program Specialist (ALL)	5
Senior Program Evaluator, Educational Accountability	5
Software Engineer	5
Transportation Manager	5

MEMBERS OF BOARDS,
COMMITTEES AND COMMISSIONS

Budget Advisory Committee	1, 2
Consultants and New Positions ²	

² Individuals serving as a consultant as defined in FPPC Reg 18701 or in a new position created since this Code was last approved that makes or participates in making decisions must file under the broadest disclosure set forth in this Code subject to the following limitation:

The Superintendent may determine that, due to the range of duties or contractual obligations, it is more appropriate to assign a limited disclosure requirement. A clear explanation of the duties and a statement of the extent of the disclosure requirements must be in a written document. (Gov. Code Sec. 82019; FPPC Regulations 18219 and 18734.). The Superintendent's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code. (Gov. Code Sec. 81008.)

PART “B”

DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of economic interests that the designated position must disclose for each disclosure category to which he or she is assigned.³ Such economic interests are reportable if they are either located in or doing business in the jurisdiction, are planning to do business in the jurisdiction, or have done business during the previous two years in the jurisdiction of the District.

Category 1: All investments and business positions in business entities, and sources of income, including gifts, loan and travel payments, that are located in, do business in, or own real property within the jurisdiction of the District.

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the jurisdiction of the District.

Category 3: All investments and business positions in business entities, and sources of income, including gifts, loan and travel payments, that are engaged in land development, construction or the acquisition or sale of real property within the jurisdiction of the District.

Category 4: All investments and business positions in business entities, and sources of income, including gifts, loan and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the District.

Category 5: All investments and business positions in business entities, and sources of income, including gifts, loan and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the designated position’s department, unit or division.

Category 6: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, or income from a nonprofit or other organization, if the source is of the type to receive grants or other monies from or through the District or its subdivisions.

Category 7: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, if such entities or sources have filed claims against the District in the past two years, or have a claim pending before the District.

³ This Conflict of Interest Code does not require the reporting of gifts from outside this agency’s jurisdiction if the source does not have some connection with or bearing upon the functions or duties of the position. (Reg. 18730.1)

**Board Meeting Agenda
December 8, 2014**

Topic: Acceptance of Gifts and Donations to the District

Presented by: Donna Manson, Account Clerk, Business Services

Responsible

Cabinet Member: Michael H. Fine, Deputy Superintendent Business Services and Governmental Relations

Type of Item: Consent

Short Description: Individuals and entities may make gifts or donations of usable items or money to the District. Gifts or donations of \$100 or more in value are accepted and acknowledged by the Board of Education.

DESCRIPTION OF AGENDA ITEM

- Arlington High School received \$150.00 from Todd M. Thompson for boys' soccer team.
- Fremont Elementary School received \$1,500.00 from Team College So Cal to provide backpacks for students.
- Fremont Elementary School received from Bud's Tire Pros three (3) sets of Deluxe Throw Down Rubber Base Sets valued at \$150.00.
- John F. Kennedy Elementary School received from their Parent Teacher Association \$5,737.25 to be used for classroom supplies.
- Martin Luther King High School received \$7,500.00 from BNSF Railway to be used for See Tracks Think Trains competition.
- Riverside Polytechnic High School received \$500.00 from High Sand Inc. dba Splash Car for the boys' soccer program.
- Riverside Polytechnic High School received \$935.00 from Steve and Gisele Helfand for the girls' tennis program.

- John W. North High School received the following:
 - \$100.00 from Dianne Huntley for Cross Country
 - \$100.00 from Mary Ann Solorzano for Newspaper
 - \$100.00 from James Mathews for Boys' Basketball
 - \$300.00 from Hospital Care Advocates for girls' soccer
 - \$300.00 from Hospital Care Advocates for Cross Country
 - \$462.86 from Target for student body

- John W. North High School received the following for Legal and Protective Services Academy:
 - \$100.00 from Paul and Joyce Matthews
 - \$600.00 from Exchange Club of Magnolia Center

- RUSD - Nutrition Services received \$10,000.00 from Altura Credit Union for advertisement in Nutrition Services Annual Elementary Menu Calendar.

Values are set by the donor, and the District has not conducted any independent assessment as to the actual value of the gifted donated item. Inclusion of the value on the report is for information only and does not represent an affirmation of the value.

FISCAL IMPACT: \$ 28,535.11

RECOMMENDATION: It is recommendation that the Board of Education accept the above gifts and donations.

ADDITIONAL MATERIAL: None

**Board Meeting Agenda
December 8, 2014**

Topic: Warrant List No. 9

Presented by: Jeannie Darnell, Account Clerk, Business Services

Responsible

Cabinet Member: Michael H. Fine, Deputy Superintendent Business Services and Governmental Relations

Type of Item: Consent

Short Description: The payment for the purchase of goods, materials, and services is done in school districts with checks called warrants. Warrant lists are presented to the Board of Education for ratification.

DESCRIPTION OF AGENDA ITEM:

B-Warrants in excess of \$2,000.00 issued since last period. Invoices for the claims have been checked and audited by the Business Office. Warrants for the claims have been prepared.

FISCAL IMPACT: \$6,940,747.10

RECOMMENDATION: It is recommended that the Board of Education approve the warrants.

ADDITIONAL MATERIAL: Warrant List No. 9

Attached: Yes

RIVERSIDE UNIFIED SCHOOL DISTRICT

Commercial Warrant Listing 2014 - 2015

October 25, 2014 THRU November 07, 2014

B-Warrants In Excess of \$1,999.00 Issued Since Last Period

Claim	Date	Fund	Warrant	Vendor Name	Claim Amount
<u>GENERAL FUND UNRESTRICTED 03</u>					
234470	10/27/2014	03	14885849	G/M BUSINESS INTERIORS	\$6,688.81
234478	10/27/2014	03	14885857	PARTY UP ENTERTAINMENT	\$4,900.00
234480	10/27/2014	03	14885859	PATHFINDER RANCH	\$3,880.00
234482	10/27/2014	03	14885861	PALI INSTITUTE	\$21,006.00
234489	10/27/2014	03	14885868	NATIONAL GEOGRAPHIC	\$3,695.87
234490	10/27/2014	03	14885869	AARDVARK CLAY	\$2,444.53
234506	10/27/2014	03	14885885	WESTERN MUNICIPAL WATER DISTRICT	\$3,745.48
234509	10/27/2014	03	14885888	CLOVER ENTERPRISES	\$3,110.94
234515	10/27/2014	03	14885894	123 OFFICE SOLUTIONS	\$20,638.80
234524	10/27/2014	03	14885902	PEGLEG ENTERTAINMENT	\$5,667.03
234525	10/27/2014	03	14885903	VERNIER SOFTWARE AND TECHNOLOGY, LL	\$3,852.01
234528	10/28/2014	03	14886996	STUDENT TRANSPORTATION OF AMERICA	\$109,483.64
234529	10/28/2014	03	14886997	STUDENT TRANSPORTATION OF AMERICA	\$49,649.72
234530	10/28/2014	03	14886998	STUDENT TRANSPORTATION OF AMERICA	\$51,247.71
234535	10/28/2014	03	14887003	PEGLEG ENTERTAINMENT	\$4,500.00
234536	10/28/2014	03	14887004	PALI INSTITUTE	\$18,768.76
234551	10/28/2014	03	14887019	RIVERSIDE COMMUNITY COLLEGE	\$3,040.00
234558	10/28/2014	03	14887026	PATHWAY COMMUNICATIONS LTD	\$28,979.00
234567	10/28/2014	03	14887035	KMBS C/O BURTRONICS BUSINESS SYSTEMS	\$5,125.30
234568	10/28/2014	03	14887036	KMBS C/O BURTRONICS BUSINESS SYSTEMS	\$2,009.45
234570	10/28/2014	03	14887038	DRESMANN PROMOTIONAL PRODUCTS	\$2,961.59
234588	10/28/2014	03	14887056	S&R SPORT	\$2,575.68
234617	10/29/2014	03	14888712	AREY JONES EDUCATIONAL SOLUTIONS	\$5,079.04
234619	10/29/2014	03	14888714	AREY JONES EDUCATIONAL SOLUTIONS	\$12,982.61
234621	10/29/2014	03	14888716	AREY JONES EDUCATIONAL SOLUTIONS	\$2,077.59
234628	10/29/2014	03	14888723	AREY JONES EDUCATIONAL SOLUTIONS	\$7,395.20
234630	10/29/2014	03	14888725	AREY JONES EDUCATIONAL SOLUTIONS	\$936,124.07
234634	10/29/2014	03	14888729	DISNEYLAND	\$2,980.00
234647	10/29/2014	03	14888742	AREY JONES EDUCATIONAL SOLUTIONS	\$12,987.60
234649	10/29/2014	03	14888744	AREY JONES EDUCATIONAL SOLUTIONS	\$6,232.79
234651	10/29/2014	03	14888746	AREY JONES EDUCATIONAL SOLUTIONS	\$4,053.24
234653	10/29/2014	03	14888748	CDW-G	\$3,860.50
234655	10/29/2014	03	14888750	ALL CITY MANAGEMENT SERVICES, INC.	\$9,790.32
234659	10/29/2014	03	14888754	SAN DIEGO COUNTY SCHOOLS VOLUNTARY EMPLOYEES	\$56,433.63
234662	10/29/2014	03	14888757	CAREER CRUISING	\$5,560.00
234671	10/29/2014	03	14888766	SCHOOLBINDER, INC.	\$2,580.00
234672	10/29/2014	03	14888767	AREY JONES EDUCATIONAL SOLUTIONS	\$9,852.41
234686	10/30/2014	03	14889300	WAXIE SANITARY SUPPLY	\$17,219.26
234692	10/30/2014	03	14889306	AT&T MOBILITY	\$7,073.14
234694	10/30/2014	03	14889308	CADA CENTRAL	\$2,500.00
234721	10/30/2014	03	14889335	SEISMIC AUDIO	\$5,668.98
234725	10/30/2014	03	14889339	WAXIE SANITARY SUPPLY	\$5,077.08
234775	11/03/2014	03	14892043	WESTERN MUNICIPAL WATER DISTRICT	\$8,469.88
234816	11/03/2014	03	14892084	THE BULK BOOKSTORE	\$19,925.46
234817	11/03/2014	03	14892085	B&H PHOTO	\$2,864.00
234821	11/03/2014	03	14892089	KMBS C/O BURTRONICS BUSINESS SYSTEMS	\$12,191.21
234822	11/03/2014	03	14892090	KMBS C/O BURTRONICS BUSINESS SYSTEMS	\$16,133.39

234830	11/03/2014	03	14892098	AVID CENTER	\$4,014.00
234835	11/03/2014	03	14892103	ULINE	\$2,332.80
234836	11/03/2014	03	14892104	PIVOT LEARNING PARTNERS	\$4,734.00
234837	11/03/2014	03	14892105	STUDENT TRANSPORTATION OF AMERICA	\$182,700.45
234839	11/03/2014	03	14892107	STUDENT TRANSPORTATION OF AMERICA	\$83,124.49
234842	11/03/2014	03	14892110	PATHFINDER RANCH	\$3,130.00
234844	11/03/2014	03	14892112	US POSTAL SERVICE	\$50,000.00
234847	11/03/2014	03	14892115	RUSD REVOLVING FUND	\$3,984.86
234848	11/03/2014	03	14892116	PSAT/NMSQT	\$2,562.00
234854	11/03/2014	03	14892122	GALLERY SYSTEM	\$4,884.80
234860	11/03/2014	03	14892128	SUNTEX INTERNATIONAL	\$6,363.00
234905	11/04/2014	03	14894397	NIGRO & NIGRO, PC	\$25,808.00
234911	11/04/2014	03	14894403	SOUTHERN CALIFORNIA EDISON CO	\$26,052.43
234912	11/04/2014	03	14894404	WESTERN MUNICIPAL WATER DISTRICT	\$10,890.85
234921	11/04/2014	03	14894413	HARRIS, DENNIS L.	\$2,060.00
234924	11/04/2014	03	14894416	THE WARE GROUP, INC.	\$8,500.00
234934	11/04/2014	03	14894426	BANK OF UTAH	\$16,503.00
234939	11/04/2014	03	14894431	KMBS C/O BURTRONICS BUSINESS SYSTEMS	\$11,370.06
234944	11/04/2014	03	14894436	BEST BUY GOV LLC	\$21,123.00
234945	11/04/2014	03	14894437	LAWN MOWER CENTER	\$2,019.29
234974	11/04/2014	03	14894466	SCSBOA (SO CALIF SCH BAND ORCH AS)	\$4,959.00
234978	11/04/2014	03	14894470	RIVERSIDE COUNTY OFFICE OF ED.	\$3,981.00
234980	11/04/2014	03	14894472	REACH LEADERSHIP ACADEMY	\$18,361.28
235004	11/05/2014	03	14895689	ALERT SERVICES	\$5,530.74
235009	11/05/2014	03	14895694	BEST BUY GOV LLC	\$2,192.40
235011	11/05/2014	03	14895696	CANON SOLUTIONS AMERICA, INC.	\$2,134.64
235015	11/05/2014	03	14895700	AARDVARK CLAY	\$2,700.72
235029	11/05/2014	03	14895714	JKEAA MUSIC SERVICES, LLC	\$4,968.00
235030	11/05/2014	03	14895715	JKEAA MUSIC SERVICES, LLC	\$12,538.80
235067	11/06/2014	03	14896218	LUNGBUSTERS SWIN AND SPORT	\$2,049.30
235080	11/06/2014	03	14896231	CDW-G	\$4,649.34
235089	11/06/2014	03	14896240	BB&T INSURANCE SERVICES OF CALIFORNIA, INC.	\$12,013.29
235100	11/06/2014	03	14896251	NICK RAIL MUSIC	\$3,769.20
235106	11/06/2014	03	14896257	XEROX CORPORATION	\$5,895.33
235111	11/06/2014	03	14896262	VIRCO MANUFACTURING	\$2,571.58
235164	11/07/2014	03	14897711	CCS PRESENTATION SYS	\$2,916.00
235169	11/07/2014	03	14897716	AARDVARK CLAY	\$2,801.56
235173	11/07/2014	03	14897720	CDW-G	\$3,387.36
235192	11/07/2014	03	14897739	SCREEN SURGEONS LLC	\$2,480.00
235197	11/07/2014	03	14897744	ACTIVE NETWORK	\$2,769.25
235217	11/07/2014	03	14897764	PEARSON EDUCATION, INC.	\$52,806.51
235218	11/07/2014	03	14897765	PARKABIKE, INC.	\$3,609.44

TOTAL FOR FUND 03 \$2,164,323.49

GENERAL FUND RESTRICTED 06

234469	10/27/2014	06	14885848	HOPE, INC.	\$2,431.39
234479	10/27/2014	06	14885858	SCHOOL BASED REIMBURSEMENT PARTNERS LLC	\$3,859.34
234495	10/27/2014	06	14885874	AUTISM BEHAVIOR CONSULTANTS	\$14,241.08
234496	10/27/2014	06	14885875	AUTISM BEHAVIOR CONSULTANTS	\$28,969.96
234497	10/27/2014	06	14885876	EAGLE PUMP SERVICES, INC.	\$3,189.92
234498	10/27/2014	06	14885877	AUTISM BEHAVIOR CONSULTANTS	\$8,412.44
234500	10/27/2014	06	14885879	AUTISM BEHAVIOR CONSULTANTS	\$4,054.34

234505	10/27/2014	06	14885884	CAROLYN E. WYLIE CENTER	\$7,000.00
234531	10/28/2014	06	14886999	PORT VIEW PREPARATORY, INC.	\$9,704.15
234538	10/28/2014	06	14887006	RIVERSIDE, COUNTY OF	\$3,641.00
234562	10/28/2014	06	14887030	CCS CONTRACTORS INC.	\$2,852.00
234626	10/29/2014	06	14888721	AREY JONES EDUCATIONAL SOLUTIONS	\$24,789.00
234627	10/29/2014	06	14888722	AREY JONES EDUCATIONAL SOLUTIONS	\$17,350.97
234631	10/29/2014	06	14888726	BONNETT IRRIGATION	\$7,221.83
234661	10/29/2014	06	14888756	AREY JONES EDUCATIONAL SOLUTIONS	\$25,975.20
234669	10/29/2014	06	14888764	TRANE	\$2,050.20
234674	10/29/2014	06	14888769	TRI-ED/NORTHERN VIDEO DISTRIBUTION	\$4,038.81
234675	10/29/2014	06	14888770	TRI-ED/NORTHERN VIDEO DISTRIBUTION	\$10,800.94
234677	10/29/2014	06	14888772	TRI-ED/NORTHERN VIDEO DISTRIBUTION	\$11,613.55
234709	10/30/2014	06	14889323	RITE-WAY ROOF CORPORATION	\$2,948.00
234751	10/30/2014	06	14889365	WATERLINE TECHNOLOGIES, INC.	\$2,573.97
234755	10/30/2014	06	14889369	SIGLER WHOLESALE DISTRIBUTORS	\$3,504.79
234794	11/03/2014	06	14892062	HARRIS, DENNIS L.	\$2,060.00
234796	11/03/2014	06	14892064	HOPE, INC.	\$3,961.64
234808	11/03/2014	06	14892076	NO EXCUSES UNIVERSITY	\$2,250.00
234825	11/03/2014	06	14892093	ALL COUNTY ENVIRONMENTAL & RESTORATION, INC.	\$3,800.00
234827	11/03/2014	06	14892095	AMTECH ELEVATORS	\$2,400.00
234904	11/04/2014	06	14894396	EDUCATIONAL PAPERWORK SOLUTIONS	\$3,400.00
234925	11/04/2014	06	14894417	THE WARE GROUP, INC.	\$8,500.00
234947	11/04/2014	06	14894439	LANGUAGE CIRCLE ENTERPRISE, INC.	\$2,451.00
234951	11/04/2014	06	14894443	CENTER FOR AUTISM C.A.R.D.	\$23,042.00
234955	11/04/2014	06	14894447	APPLIED BEHAVIOR CONSULTANTS, INC.	\$12,440.41
234959	11/04/2014	06	14894451	RITE-WAY ROOF CORPORATION	\$2,895.00
234965	11/04/2014	06	14894457	SCHOLASTIC, INC.	\$2,304.26
234968	11/04/2014	06	14894460	TEACHER CREATED MATERIALS	\$3,775.86
234985	11/05/2014	06	14895670	HEWLETT PACKARD-STL GOVT. SALES	\$6,686.64
235010	11/05/2014	06	14895695	DREAMBOX LEARNING, INC.	\$6,500.00
235077	11/06/2014	06	14896228	GRILLO'S FILTER SALES	\$4,023.04
235090	11/06/2014	06	14896241	GEARY PACIFIC	\$3,534.53
235097	11/06/2014	06	14896248	CCS CONTRACTORS INC.	\$17,538.00
235141	11/07/2014	06	14897688	PERSONALIZE LEARNING, LLC	\$3,588.00
235195	11/07/2014	06	14897742	AMTECH ELEVATORS	\$2,714.40

TOTAL FOR FUND 06 \$319,087.66

CAFETERIA SPECIAL REVENUE FUND 13

234458	10/27/2014	13	14885841	LEABO FOODS DIST., INC.	\$8,660.43
234499	10/27/2014	13	14885878	LEABO FOODS DIST., INC.	\$8,198.53
234569	10/28/2014	13	14887037	A & R WHOLESALE DISTRIBUTORS INC	\$2,281.87
234571	10/28/2014	13	14887039	A & R WHOLESALE DISTRIBUTORS INC	\$4,394.09
234573	10/28/2014	13	14887041	A & R WHOLESALE DISTRIBUTORS INC	\$5,754.26
234574	10/28/2014	13	14887042	A & R WHOLESALE DISTRIBUTORS INC	\$6,878.63
234577	10/28/2014	13	14887045	A & R WHOLESALE DISTRIBUTORS INC	\$3,583.00
234579	10/28/2014	13	14887047	A & R WHOLESALE DISTRIBUTORS INC	\$9,009.41
234581	10/28/2014	13	14887049	A & R WHOLESALE DISTRIBUTORS INC	\$6,654.00
234582	10/28/2014	13	14887050	A & R WHOLESALE DISTRIBUTORS INC	\$2,119.00
234585	10/28/2014	13	14887053	A & R WHOLESALE DISTRIBUTORS INC	\$6,627.26
234589	10/28/2014	13	14887057	A & R WHOLESALE DISTRIBUTORS INC	\$5,796.84
234604	10/28/2014	13	14887072	A & R WHOLESALE DISTRIBUTORS INC	\$5,416.77
234607	10/28/2014	13	14887075	A & R WHOLESALE DISTRIBUTORS INC	\$4,611.67

234609	10/28/2014	13	14887076	US FOODS, INC.	\$2,160.68
234610	10/28/2014	13	14887077	US FOODS, INC.	\$2,950.12
234612	10/28/2014	13	14887079	US FOODS, INC.	\$2,241.57
234613	10/28/2014	13	14887080	US FOODS, INC.	\$2,330.71
234615	10/28/2014	13	14887082	US FOODS, INC.	\$2,637.00
234643	10/29/2014	13	14888738	P & R PAPER SUPPLY	\$2,512.83
234644	10/29/2014	13	14888739	P & R PAPER SUPPLY	\$2,401.66
234645	10/29/2014	13	14888740	P & R PAPER SUPPLY	\$2,446.16
234646	10/29/2014	13	14888741	P & R PAPER SUPPLY	\$7,311.72
234648	10/29/2014	13	14888743	P & R PAPER SUPPLY	\$7,529.74
234650	10/29/2014	13	14888745	P & R PAPER SUPPLY	\$10,084.38
234652	10/29/2014	13	14888747	P & R PAPER SUPPLY	\$7,895.74
234680	10/29/2014	13	14888775	P & R PAPER SUPPLY	\$10,016.63
234752	10/30/2014	13	14889366	PROFESSIONAL DUCT CLEANING	\$8,911.76
234756	10/31/2014	13	14891032	HOLLANDIA DAIRY	\$48,221.84
234757	10/31/2014	13	14891033	HMC ARCHITECTS	\$13,675.06
234758	10/31/2014	13	14891034	KNIGHT, ROBERT C.	\$2,789.00
234762	10/31/2014	13	14891038	GIUMARRA VINEYARDS CORP	\$4,131.00
234984	11/05/2014	13	14895669	HOLLANDIA DAIRY	\$47,342.86
235026	11/05/2014	13	14895711	SUNRISE PRODUCE COMPANY	\$6,526.76
235028	11/05/2014	13	14895713	SUNRISE PRODUCE COMPANY	\$9,504.51
235031	11/05/2014	13	14895716	SUNRISE PRODUCE COMPANY	\$35,263.59
235036	11/05/2014	13	14895721	SUNRISE PRODUCE COMPANY	\$12,935.18
235051	11/06/2014	13	14896202	BOB & GARY'S	\$2,566.00
235061	11/06/2014	13	14896212	GOLD STAR FOODS, INC.	\$5,662.43
235130	11/06/2014	13	14896281	PLATINUM PACKAGING GROUP	\$3,096.67
235133	11/06/2014	13	14896284	PLASTIC PACKAGE INC.	\$17,854.20

TOTAL FOR FUND 13 \$360,985.56

BUILDING FUND 21

234510	10/27/2014	21	14885889	CARRIER CORPORATION	\$2,865.00
234703	10/30/2014	21	14889317	RITE-WAY ROOF CORPORATION	\$3,800.00
234712	10/30/2014	21	14889326	ALCORN FENCE COMPANY	\$17,026.39
234713	10/30/2014	21	14889327	INLAND BUILDING COMPANIES	\$4,234.35
234714	10/30/2014	21	14889328	QUEEN CITY GLASS CO.	\$14,231.00
234717	10/30/2014	21	14889331	A. J. FISTES CORPORATION	\$14,187.96
234718	10/30/2014	21	14889332	PRINCIPLES CONTRACTING, INC.	\$4,892.50
234719	10/30/2014	21	14889333	PREMIER TILE & MARBLE	\$2,442.12
234720	10/30/2014	21	14889334	CONTINENTAL FLOORING	\$7,889.75
234722	10/30/2014	21	14889336	FRANKLIN MECHANICAL SYSTEMS, INC.	\$12,882.00
234733	10/30/2014	21	14889347	DALKE & SONS CONSTRUCTION, INC.	\$390,723.41
234736	10/30/2014	21	14889350	DALKE & SONS CONSTRUCTION, INC.	\$3,918.14
234740	10/30/2014	21	14889354	LPA ARCHITECTS	\$83,583.66
234935	11/04/2014	21	14894427	SOUTHWEST GENERAL CONTRACTORS, INC.	\$16,554.61
234937	11/04/2014	21	14894429	TTG ENGINEERS	\$15,680.00
234938	11/04/2014	21	14894430	TTG ENGINEERS	\$6,320.00

TOTAL FOR FUND 21 \$601,230.89

CAPITAL FACILITIES FUND 25

234584	10/28/2014	25	14887052	BLX GROUP	\$2,900.00
234636	10/29/2014	25	14888731	DAVID TAUSSIG AND ASSOCIATES, INC.	\$9,639.40
234640	10/29/2014	25	14888735	DAVID TAUSSIG AND ASSOCIATES, INC.	\$7,820.99
234642	10/29/2014	25	14888737	DAVID TAUSSIG AND ASSOCIATES, INC.	\$8,960.18
234953	11/04/2014	25	14894445	LPA ARCHITECTS	\$2,747.50

TOTAL FOR FUND 25 \$32,068.07

COUNTY SCHOOL FACILITIES FUND 35

234696	10/30/2014	35	14889310	IRONCLAD GENERAL ENGINEERING, INC.	\$4,560.00
234699	10/30/2014	35	14889313	RC CONSTRUCTION, INC.	\$10,772.19
234715	10/30/2014	35	14889329	SOUTHERN CALIFORNIA WEST COAST ELECTRIC INC.	\$35,697.68
234723	10/30/2014	35	14889337	ORANGE COUNTY PLASTERING COMPANY, INC.	\$14,523.13
234726	10/30/2014	35	14889340	INLAND BUILDING COMPANIES	\$86,685.63
234727	10/30/2014	35	14889341	INLAND BUILDING COMPANIES	\$4,562.41
234728	10/30/2014	35	14889342	RND CONTRACTORS INC.	\$18,659.66
234777	11/03/2014	35	14892045	ATKINSON, ANDELSON, LOYA, RUUD &	\$4,785.00

TOTAL FOR FUND 35 \$180,245.70**SPECIAL RESERVE FUND FOR CAPITAL OUTLAY PROJECTS 40**

234487	10/27/2014	40	14885866	MUNRO COMPANIES, INC.	\$9,547.00
234737	10/30/2014	40	14889351	J. GLENNA CONSTRUCTION INC.	\$2,400.00

TOTAL FOR FUND 40 \$11,947.00**SELF-INSURANCE FUND 67**

234481	10/27/2014	67	14885860	YORK RISK SERVICES GROUP, INC.	\$67,563.75
234483	10/27/2014	67	14885862	UNION BANK OF CALIFORNIA 2740029080	\$133,618.53
234526	10/27/2014	67	14885904	SAN DIEGO COUNTY SCHOOLS VOLUNTARY EMPLOYEES	\$2,285.66
234866	11/04/2014	67	14894358	SAN DIEGO COUNTY SCHOOLS VOLUNTARY EMPLOYEES	\$50,923.84
234870	11/04/2014	67	14894362	SOUTHERN CALIFORNIA SCHOOLS EMPLOYEE BENEFITS ASSO	\$37,103.36
234903	11/04/2014	67	14894395	UNION BANK OF CALIFORNIA 2740029080	\$267,304.19
235087	11/06/2014	67	14896238	COMMUNITY ACTION EMPLOYEE ASSISTANC	\$5,530.00

TOTAL FOR FUND 67 \$564,329.33**MULTIPLE FUND CODES**

234620	10/29/2014		14888715	AREY JONES EDUCATIONAL SOLUTIONS	\$4,551.68
234623	10/29/2014		14888718	SOUTHERN CALIFORNIA SCHOOLS EMPLOYEE BENEFITS ASSO	\$4,056.14
234624	10/29/2014		14888719	SOUTHERN CALIFORNIA SCHOOLS EMPLOYEE BENEFITS ASSO	\$2,727.44
234687	10/30/2014		14889301	OFFICE MAX	\$19,664.68
234688	10/30/2014		14889302	OFFICE MAX	\$7,279.57
234689	10/30/2014		14889303	OFFICE MAX	\$2,996.83
234863	11/04/2014		14894355	SAN DIEGO COUNTY SCHOOLS VOLUNTARY EMPLOYEES	\$881,323.32
234864	11/04/2014		14894356	SAN DIEGO COUNTY SCHOOLS VOLUNTARY EMPLOYEES	\$524,389.54
234865	11/04/2014		14894357	SAN DIEGO COUNTY SCHOOLS VOLUNTARY EMPLOYEES	\$84,877.20
234867	11/04/2014		14894359	SOUTHERN CALIFORNIA SCHOOLS EMPLOYEE BENEFITS ASSO	\$104,065.67
234868	11/04/2014		14894360	SOUTHERN CALIFORNIA SCHOOLS EMPLOYEE BENEFITS ASSO	\$52,135.97
234869	11/04/2014		14894361	SOUTHERN CALIFORNIA SCHOOLS EMPLOYEE BENEFITS ASSO	\$13,307.87
234879	11/04/2014		14894371	METROPOLITAN LIFE INSURANCE COMPANY	\$6,263.95
234880	11/04/2014		14894372	METROPOLITAN LIFE INSURANCE COMPANY	\$5,509.81

234913	11/04/2014	14894405	THE GAS COMPANY	\$8,108.63
234926	11/04/2014	14894418	THE WARE GROUP, INC.	\$7,500.00
235042	11/05/2014	14895727	BONNETT IRRIGATION	\$39,673.16
235050	11/06/2014	14896201	WAXIE SANITARY SUPPLY	\$7,740.39
235053	11/06/2014	14896204	OFFICE MAX	\$17,646.84
235054	11/06/2014	14896205	OFFICE MAX	\$8,503.62
235055	11/06/2014	14896206	OFFICE MAX	\$4,041.61
235056	11/06/2014	14896207	OFFICE MAX	\$2,126.06
235093	11/06/2014	14896244	ACHIEVE 3000, INC.	\$24,112.50
235140	11/07/2014	14897687	FAGEN FRIEDMAN & FULFROST, LLP	\$3,504.50
235210	11/07/2014	14897757	RIVERSIDE, CITY OF	\$634,071.30
TOTAL FOR VARIOUS FUND CODES				\$2,470,178.28
TOTAL OF WARRANTS OVER \$1,999.00				\$6,704,395.98
TOTAL OF WARRANTS UNDER \$1,999.00				\$236,351.12
GRAND TOTAL OF WARRANTS				\$6,940,747.10

Board Meeting Agenda
December 8, 2014

Topic: Donation of E-Waste Equipment

Presented by: Luis F. Moya, Supervisor, Warehouse

Responsible

Cabinet Member: Michael H. Fine, Deputy Superintendent, Business Services and Governmental Relations

Type of Item: Consent

Short Description: From time to time, the District needs to dispose of items that are surplus or obsolete. As an alternative, some items may be donated. Approval is requested for the disposal of surplus items otherwise constituting E-Waste (electronic waste) through donation to a charitable organization.

DESCRIPTION OF AGENDA ITEM:

Electronic equipment becomes obsolete and surplus after extensive use and or failure which may not be economically repaired. Items in this condition must be disposed of in accordance with District Policy, California Education Code and environmental regulations designed to protect from electronic waste (e-waste). As an alternative to traditional disposal, and depending on the declared value of the item, some items may be donated. California Education Code Section 17546 (c) provides that if a governing board, “by unanimous vote of those members present, finds that the property is of insufficient value to defray the costs of arranging a sale, the property may be donated to a charitable organization deemed appropriate by the board, or it may be disposed of in the local public dump”. Given the environmental regulations associated to the disposition of electronic equipment, disposal in the public dump is not an option, and other disposal methods are costly.

The District partners with SmartRiverside and their Digital Inclusion Program (a charitable organization) to help provide low income students and their families with computers that they otherwise could not afford. Additionally, SmartRiverside is a state certified e-waste collection facility.

The electronic equipment on the attached list has been withdrawn from various sites and declared surplus/e-waste. Typically the items are considered surplus when they either become uneconomical to repair or obsolete for classroom usage.

FISCAL IMPACT: None

RECOMMENDATION: It is recommended that the Board of Education 1) find and declare that the electronic equipment on the attached list is surplus and of insufficient value to defray the costs of arranging a sale, and 2) authorize staff to dispose of these items per District policy and California Education Code by donating such to SmartRiverside to be used in their Digital Inclusion Program.

ADDITIONAL MATERIAL: E-Waste List

Attached: Yes

Donation of E-Waste Equipment
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Miscellaneous E-Waste Items					
Item Num.	RUSD Tag Number	Description	Serial Num.	Item Condition	Site
1	N/A	Alphasmart Word Processors	N/A	Discard	124
2	N/A	Alphasmart Word Processors	N/A	Discard	124
3	N/A	Alphasmart Word Processors	N/A	Discard	124
4	N/A	Alphasmart Word Processors	N/A	Discard	124
5	N/A	Alphasmart Word Processors	N/A	Discard	124
6	N/A	Alphasmart Word Processors	N/A	Discard	124
7	N/A	Alphasmart Word Processors	N/A	Discard	124
8	N/A	Alphasmart Word Processors	N/A	Discard	124
9	N/A	Calibration GAS/BOT	97226	Discard	M&O
10	N/A	Cassette recorder	E1232274	Discard	106
11	N/A	Cassette recorder	LG380296	Discard	106
12	N/A	Cassette recorder	E1232271	Discard	106
13	N/A	Cassette recorder	LG382382	Discard	106
14	N/A	Cassette recorder	FH491686	Discard	106
15	XRUSDR18000538	CD Player	N/A	Discard	124
16	XRUSDR18000540	CD Player	N/A	Discard	124
17	XRUSDR18000539	CD Player	N/A	Discard	124
18	XRUSDR18000551	CD Player	N/A	Discard	124
19	XRUSDR18000523	CD Player	N/A	Discard	124
20	XRUSDR18000552	CD Player	N/A	Discard	124
21	REG104036	Copier	57BE16459	Discard	M&O
22	REG105182	Copier	57BE13612	Discard	M&O
23	REG89693	Copier	56GE11032	Discard	M&O
24	REG106668	Copier	57AE30199	Discard	M&O
25	REG101943	Copier	57AE01159	Discard	M&O
26	N/A	Copier	SHS01728	Discard	654
27	N/A	Copier	SKG01029	Discard	654
28	102812	Copier	N/A	Discard	Admin
29	N/A	CPU	6VCP67H8	Discard	220
30	N/A	CPU	5VCM4V08	Discard	220
31	N/A	CPU	6VCP3NKT	Discard	220
32	N/A	CPU	11807E3824562GVHO5N	Discard	220
33	N/A	CPU	0034706425	Discard	220
34	N/A	CPU	0035365641	Discard	220
35	N/A	CPU	MZK7750V01874	Discard	220
36	N/A	CPU	0034706433	Discard	220
37	N/A	CPU	M4L5022C0088534	Discard	122
38	N/A	CPU	TL819A502003088	Discard	122
39	N/A	CPU	TL819A336020489	Discard	122
40	N/A	CPU	0032938335	Discard	122
41	95024	CPU	0032646850	Discard	122
42	N/A	CPU	0032938277	Discard	122
43	95028	CPU	003264689	Discard	122
44	95026	CPU	N/A	Discard	122
45	94218	CPU	N/A	Discard	122

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46	95109	CPU	N/A	Discard	122
47	95055	CPU	N/A	Discard	122
48	95053	CPU	N/A	Discard	122
49	95091	CPU	N/A	Discard	122
50	95161	CPU	N/A	Discard	122
51	N/A	CPU	0033035346	Discard	122
52	95051	CPU	N/A	Discard	122
53	95039	CPU	N/A	Discard	122
54	N/A	CPU	0032340712	Discard	122
55	95107	CPU	N/A	Discard	122
56	95085	CPU	N/A	Discard	122
57	95047	CPU	N/A	Discard	122
58	95057	CPU	N/A	Discard	122
59	95093	CPU	N/A	Discard	122
60	N/A	CPU	0034384240	Discard	122
61	95087	CPU	N/A	Discard	122
62	96025	CPU	N/A	Discard	122
63	102249	CPU	36636846	Discard	676
64	ARUSD0003695	CPU	N/A	Discard	142
65	107254	CPU	N/A	Discard	142
66	ARUSD0000208	CPU	N/A	Discard	142
67	107243	CPU	N/A	Discard	120
68	107241	CPU	N/A	Discard	120
69	107244	CPU	N/A	Discard	120
70	ARUSD0003680	CPU	N/A	Discard	120
71	107323	CPU	N/A	Discard	120
72	ARUSD0003688	CPU	N/A	Discard	120
73	94596	CPU	N/A	Discard	120
74	94606	CPU	N/A	Discard	120
75	N/A	CPU	1L96CYS2R4E1	Discard	120
76	LOT01691(56795)	CPU	N/A	Discard	120
77	N/A	CPU	0032340730	Discard	120
78	103048	CPU	38969367	Discard	440
79	N/A	CPU	356411032	Discard	Admin
80	103384	CPU	0039038822	Discard	147
81	106721	CPU	00476882	Discard	147
82	106731	CPU	0040476881	Discard	147
83	106737	CPU	0040476907	Discard	147
84	106723	CPU	0040476884	Discard	147
85	106724	CPU	0040476894	Discard	147
86	106751	CPU	0040476880	Discard	147
87	106729	CPU	0040476891	Discard	147
88	95139	CPU	0032938243	Discard	122
89	95075	CPU	0032938307	Discard	122
90	95063	CPU	0032938284	Discard	122
91	95013	CPU	0033195384	Discard	122
92	95103	CPU	0032938267	Discard	122
93	7003481	CPU	KUL8015B0072522	Discard	122

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94	95045	CPU	N/A	Discard	122
95	96026	CPU	0035474065	Discard	122
96	95111	CPU	0032938279	Discard	122
97	95728	CPU	0034991945	Discard	106
98	84317	CPU	0022874077	Discard	124
99	84791	CPU	N/A	Discard	250
100	95068	CPU	N/A	Discard	250
101	N/A	CPU	0023671896	Discard	250
102	84356	CPU	N/A	Discard	250
103	101668	CPU	0036722044	Discard	124
104	95800	CPU	0035411259	Discard	124
105	107733	CPU	0036733866	Discard	124
106	934458	CPU	0036440234	Discard	124
107	107705	CPU	0036733839	Discard	124
108	94074	CPU	0031478166	Discard	124
109	94371	CPU	31478194	Discard	142
110	88066	CPU	0028773140	Discard	124
111	84881	CPU	0033195451	Discard	124
112	N/A	CPU	6X2AKN8ZX1AB	Discard	124
113	N/A	CPU	W241KN8ZA186	Discard	124
114	N/A	CPU	W250KN8ZB421	Discard	124
115	N/A	CPU	USW3220CSC	Discard	124
116	N/A	CPU	USW42003PC	Discard	124
117	N/A	CPU	W239KN8ZA170	Discard	124
118	N/A	CPU	2UB3460474	Discard	124
119	N/A	CPU	W312KN8ZD615	Discard	124
120	N/A	CPU	2UB34407RY	Discard	124
121	N/A	CPU	W302KN8ZB709	Discard	124
122	N/A	CPU	W301KN8ZA715	Discard	124
123	N/A	CPU	W313KN8ZB365	Discard	124
124	N/A	CPU	2UB346048Y	Discard	124
125	N/A	CPU	2UB40901JL	Discard	124
126	N/A	CPU	2UB34604FP	Discard	124
127	N/A	CPU	W145JYFZA745	Discard	124
128	N/A	CPU	2UB405002D	Discard	124
129	N/A	CPU	W301KN8ZA708	Discard	124
130	N/A	CPU	USW325020Q	Discard	124
131	N/A	CPU	W208JYFZB174	Discard	124
132	N/A	CPU	USW42302GQ	Discard	124
133	XRUSD-453196	CPU	MXL90916GW	Discard	124
134	XRUSD000453209	CPU	N/A	Discard	250
135	N/A	CPU	2UB40905D1	Discard	124
136	N/A	CPU	2UB336033P	Discard	124
137	N/A	CPU	MXL9321DDC	Discard	124
138	XRUSD-453200	CPU	MXL90916GD	Discard	124
139	XRUSD-453205	CPU	MXL90916G7	Discard	124
140	N/A	CPU	TH0150YR125611B320FN	Discard	124
141	N/A	CPU	128904714590	Discard	124

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142	95139	CPU	0032938243	Discard	122
143	95075	CPU	0032938307	Discard	122
144	95063	CPU	0032938284	Discard	122
145	95013	CPU	0033195384	Discard	122
146	95103	CPU	0032938267	Discard	122
147	7003481	CPU	KUL8015B0072522	Discard	122
148	95045	CPU	N/A	Discard	122
149	96026	CPU	0035474065	Discard	122
150	95111	CPU	0032938279	Discard	122
151	N/A	CPU	M4L5022C0088534	Discard	122
152	N/A	CPU	TL819A502003088	Discard	122
153	N/A	CPU	TL819A336020489	Discard	122
154	N/A	CPU	0032938335	Discard	122
155	95024	CPU	0032646850	Discard	122
156	N/A	CPU	0032938277	Discard	122
157	95028	CPU	003264689	Discard	122
158	95026	CPU	N/A	Discard	122
159	94218	CPU	N/A	Discard	122
160	95109	CPU	N/A	Discard	122
161	95055	CPU	N/A	Discard	122
162	95053	CPU	N/A	Discard	122
163	95091	CPU	N/A	Discard	122
164	95161	CPU	N/A	Discard	122
165	N/A	CPU	0033035346	Discard	122
166	95051	CPU	N/A	Discard	122
167	95039	CPU	N/A	Discard	122
168	N/A	CPU	0032340712	Discard	122
169	95107	CPU	N/A	Discard	122
170	95085	CPU	N/A	Discard	122
171	95047	CPU	N/A	Discard	122
172	95057	CPU	N/A	Discard	122
173	95093	CPU	N/A	Discard	122
174	N/A	CPU	0034384240	Discard	122
175	95087	CPU	N/A	Discard	122
176	96025	CPU	N/A	Discard	122
177	N/A	CPU	0036440280	Discard	122
178	N/A	CPU	00354744068	Discard	122
179	N/A	CPU	00364592141	Discard	122
180	N/A	CPU	0032938257	Discard	122
181	N/A	CPU	0034384264	Discard	122
182	N/A	CPU	0031478162	Discard	122
183	N/A	CPU	0036440295	Discard	122
184	9003698	CPU	N/A	Discard	122
185	N/A	CPU	0033066653	Discard	122
186	N/A	CPU	0032938256	Discard	122
187	N/A	CPU	0033195396	Discard	122
188	N/A	CPU	0035474064	Discard	122
189	105974	CPU	N/A	Discard	Admin

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190	95208	CPU	0031479017	Discard	112
191	N/A	CPU	0031479016	Discard	112
192	94030	CPU	0031479149	Discard	112
193	91439	CPU	0035868098-(FADED)	Discard	112
194	93994	CPU	0031478996	Discard	112
195	94075	CPU	0031479085	Discard	112
196	94063	CPU	0031479109	Discard	112
197	94081	CPU	0031479158	Discard	112
198	94084	CPU	0031479110	Discard	112
199	95514	CPU	0034402999	Discard	260
200	95517	CPU	0034629144	Discard	260
201	95528	CPU	0034359132	Discard	260
202	95499	CPU	0034629145	Discard	260
203	95520	CPU	0034629125	Discard	260
204	95503	CPU	0034629137	Discard	260
205	95498	CPU	0034403016	Discard	260
206	95515	CPU	0034403034	Discard	260
207	95512	CPU	0034629138	Discard	260
208	95526	CPU	0034403002	Discard	260
209	95529	CPU	0034403006	Discard	260
210	95510	CPU	0034629140	Discard	260
211	95522	CPU	0034629126	Discard	260
212	95523	CPU	0034629139	Discard	260
213	95530	CPU	0034629122	Discard	260
214	95504	CPU	0034629134	Discard	260
215	95519	CPU	0034629132	Discard	260
216	95694	CPU	0034991916	Discard	260
217	N/A	CPU	0039120542	Discard	260
218	N/A	CPU	0034091565	Discard	260
219	95501	CPU	34629124	Discard	260
220	95509	CPU	34403015	Discard	260
221	95590	CPU	34980657	Discard	260
222	95508	CPU	34629128	Discard	260
223	104126	CPU	39120526	Discard	260
224	95507	CPU	34629135	Discard	260
225	95495	CPU	34403037	Discard	260
226	94847	CPU	33195436	Discard	260
227	95690	CPU	34991895	Discard	260
228	95687	CPU	34991915	Discard	260
229	95795	CPU	35411266	Discard	260
230	95518	CPU	34629143	Discard	260
231	REG 104900	Document camera	C7600131	Discard	106
232	REG 104896	Document camera	C7600212	Discard	106
233	REG 104898	Document camera	C7600299	Discard	106
234	91033	Document camera	89633695	Discard	112
235	N/A	Keyboard	COZ7051	Discard	142
236	N/A	Keyboard	B1C809BDP14Y6D	Discard	120
237	N/A	Keyboard	2034792	Discard	120

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238	N/A	Keyboard	C641989	Discard	120
239	N/A	Keyboard	N/A	Discard	M&O
240	N/A	Keyboard	N/A	Discard	M&O
241	N/A	Keyboard	N/A	Discard	M&O
242	N/A	Keyboard	N/A	Discard	M&O
243	N/A	Keyboard	N/A	Discard	M&O
244	N/A	Keyboard	N/A	Discard	M&O
245	N/A	Keyboard	N/A	Discard	M&O
246	N/A	Keyboard	N/A	Discard	124
247	N/A	Keyboard	N/A	Discard	124
248	N/A	Keyboard	N/A	Discard	124
249	N/A	Keyboard	N/A	Discard	124
250	N/A	Keyboard	N/A	Discard	124
251	N/A	Keyboard	N/A	Discard	124
252	N/A	Keyboard	N/A	Discard	124
253	N/A	Keyboard	N/A	Discard	124
254	N/A	Keyboard	N/A	Discard	124
255	N/A	Keyboard	N/A	Discard	124
256	N/A	Keyboard	N/A	Discard	124
257	N/A	Keyboard	N/A	Discard	124
258	N/A	Keyboard	N/A	Discard	124
259	N/A	Keyboard	N/A	Discard	124
260	N/A	Keyboard	N/A	Discard	124
261	N/A	Keyboard	N/A	Discard	124
262	N/A	Keyboard	N/A	Discard	124
263	N/A	Keyboard	N/A	Discard	124
264	N/A	Keyboard	N/A	Discard	124
265	N/A	Keyboard	N/A	Discard	124
266	N/A	Keyboard	N/A	Discard	124
267	N/A	Keyboard	N/A	Discard	124
268	N/A	Keyboard	N/A	Discard	124
269	N/A	Keyboard	N/A	Discard	124
270	N/A	Keyboard	N/A	Discard	124
271	N/A	Keyboard	N/A	Discard	124
272	N/A	Keyboard	N/A	Discard	124
273	N/A	Keyboard	N/A	Discard	124
274	N/A	Keyboard	N/A	Discard	124
275	N/A	Keyboard	N/A	Discard	124
276	N/A	Keyboard	N/A	Discard	124
277	N/A	Keyboard	N/A	Discard	124
278	N/A	Keyboard	N/A	Discard	124
279	N/A	Keyboard	N/A	Discard	124
280	N/A	Keyboard	N/A	Discard	124
281	N/A	Keyboard	N/A	Discard	124
282	N/A	Keyboard	N/A	Discard	124
283	N/A	Keyboard	C034679	Discard	112
284	N/A	Keyboard	C042653	Discard	112
285	N/A	Keyboard	C360550	Discard	112

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286	N/A	Keyboard	C033461	Discard	112
287	N/A	Keyboard	C043289	Discard	112
288	N/A	Keyboard	C042682	Discard	112
289	N/A	Keyboard	C034812	Discard	112
290	N/A	Keyboard	C034808	Discard	112
291	N/A	Keyboard	CO34359	Discard	112
292	N/A	Keyboard	C034718	Discard	112
293	XCHET100000011	Laptop	N/A	Discard	220
294	XRUSDSE0000480	Laptop	N/A	Discard	220
295	XCHET100000003	Laptop	N/A	Discard	220
296	XRUSDSE0000432	Laptop	N/A	Discard	220
297	XRUSDSE0000478	Laptop	N/A	Discard	220
298	XCHEEA0000057	Laptop	N/A	Discard	220
299	XRUSD000403084	Laptop	N/A	Discard	220
300	XRUSD000426475	Laptop	N/A	Discard	220
301	XRUSDSE0000450	Laptop	N/A	Discard	220
302	XRUSD000426511	Laptop	N/A	Discard	220
303	XRUSDSE0000442	Laptop	N/A	Discard	220
304	XRUSD000426517	Laptop	N/A	Discard	220
305	XRUSD000427687	Laptop	N/A	Discard	220
306	XCHET100000081	Laptop	N/A	Discard	220
307	XRUSDSE0000427	Laptop	N/A	Discard	220
308	REG 108518	Laptop	9067318	Discard	106
309	N/A	Laptop	36644031	Discard	142
310	105584	Laptop	DNGCC7270422	Discard	124
311	89749	Laptop	BBBW4130083	Discard	124
312	105573	Laptop	DNGCC7270437	Discard	124
313	101833	Laptop	BOAW6220037	Discard	124
314	90143	Laptop	BBBW42000260	Discard	124
315	105580	Laptop	DNGCC7270421	Discard	124
316	106571	Laptop	NGCC7440451	Discard	124
317	105583	Laptop	DNGCC7270426	Discard	124
318	105579	Laptop	DNGCC7270427	Discard	124
319	105664	Laptop	DNGCC7300135	Discard	124
320	90144	Laptop	BBBW4200257	Discard	124
321	105588	Laptop	DNGCC7270419	Discard	124
322	105582	Laptop	DNGCC7270435	Discard	124
323	105571	Laptop	DNGCC7270425	Discard	124
324	N/A	Laptop	DNGCC7270423	Discard	124
325	102850	Laptop	NGCC707?148	Discard	124
326	107266	Laptop	NGCC8111886	Discard	124
327	108513	Laptop	N/A	Discard	250
328	100096	Laptop	N/A	Discard	250
329	102092	Laptop	N/A	Discard	250
330	100861	Laptop	N/A	Discard	250
331	ARUSD0000346	Laptop	CNU9066012	Discard	142
332	ARUSD0000634	Laptop	CNU9204LD2	Discard	142
333	ARUSD0000635	Laptop	CNU918188Y	Discard	142

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334	ARUSD0000350	Laptop	CNU906602Q	Discard	142
335	RUSD100605	Laptop	0036644005	Discard	133
336	104777	Laptop	0039104003	Discard	147
337	104761	Laptop	0039104009	Discard	147
338	104721	Laptop	0039104006	Discard	147
339	N/A	Laptop	0036643943	Discard	147
340	N/A	Laptop	0039358443	Discard	147
341	104797	Laptop	0039104018	Discard	147
342	104790	Laptop	003910416	Discard	147
343	104793	Laptop	003910419	Discard	147
344	105719	Laptop	0039233528	Discard	147
345	N/A	Laptop	NOT VISIBLE	Discard	147
346	N/A	Laptop	0039104022	Discard	147
347	104779	Laptop	0039104005	Discard	147
348	ARUSD0002608	Laptop	2CE02910BS	Discard	144
349	ARUSD0002603	Laptop	2CE029107B	Discard	144
350	ARUSD0005169	Laptop	CNU20218T9	Discard	138
351	ARUSD0005164	Laptop	CNU20218S9	Discard	138
352	N/A	Laptop	C60ABCO43214	Discard	220
353	N/A	Laptop	12222072180	Discard	220
354	N/A	Laptop	12222070455	Discard	220
355	XCHET100000049	Laptop	N/A	Discard	220
356	XRUSD000426530	Laptop	N/A	Discard	220
357	XRUSD00040403059	Laptop	N/A	Discard	220
358	XRUSD000403218	Laptop	N/A	Discard	220
359	XRUSD00452908	Laptop	N/A	Discard	220
360	XRUSD000403003	Laptop	N/A	Discard	220
361	XRUSD000452940	Laptop	N/A	Discard	220
362	XRUSD000403022	Laptop	N/A	Discard	220
363	XRUSD000452900	Laptop	N/A	Discard	220
364	XRUSD000403316	Laptop	N/A	Discard	220
365	XRUSD000403163	Laptop	N/A	Discard	220
366	XRUSD000452923	Laptop	N/A	Discard	220
367	XRUSD000452964	Laptop	N/A	Discard	220
368	XRUSD000403258	Laptop	N/A	Discard	220
369	XRUSD000403302	Laptop	N/A	Discard	220
370	XRUSD000403027	Laptop	N/A	Discard	220
371	XRUSD000403264	Laptop	N/A	Discard	220
372	XRUSD000403284	Laptop	N/A	Discard	220
373	XRUSD000452880	Laptop	N/A	Discard	220
374	XRUSD000403246	Laptop	N/A	Discard	220
375	XRUSD000403216	Laptop	N/A	Discard	220
376	XRUSD000452981	Laptop	5CH1090W25	Discard	220
377	XCHET100000166	Laptop	N/A	Discard	220
378	XCHEELA0000041	Laptop	N/A	Discard	220
379	N/A	Laptop	12222070420	Discard	220
380	N/A	Laptop	JCH1090TRY	Discard	220
381	N/A	Laptop	5CB13511FJ	Discard	220

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382	N/A	Laptop	CNF050ZLNQ6	Discard	220
383	N/A	Laptop	5CH1090NN3	Discard	220
384	N/A	Laptop	5CH1090X9D	Discard	220
385	N/A	Laptop	5CB135115V	Discard	220
386	N/A	Laptop	5CB1393VQO	Discard	220
387	N/A	Laptop	5CB1351YOB	Discard	220
388	N/A	Laptop	5CH1180CSB	Discard	220
389	N/A	Laptop	5CH1180CBB	Discard	220
390	N/A	Laptop	5CB13993VN5	Discard	220
391	XRUSDCTE000020	Laptop	N/A	Discard	220
392	XRUSDSE0000429	Laptop	N/A	Discard	220
393	XRUSDSE0000788	Laptop	N/A	Discard	220
394	XRUSD000427704	Laptop	N/A	Discard	220
395	XRUSDSE0000477	Laptop	N/A	Discard	220
396	XCHET100000055	Laptop	N/A	Discard	220
397	XCHET100000150	Laptop	N/A	Discard	220
398	XCHET100000013	Laptop	N/A	Discard	220
399	XCHET100000012	Laptop	N/A	Discard	220
400	XCHET100000001	Laptop	N/A	Discard	220
401	84741	Laptop	BQA01120506	Discard	620
402	93065	Laptop	0036126303	Discard	260
403	93066	Laptop	0036126305	Discard	260
404	92708	Laptop	0035863874	Discard	260
405	92595	Laptop	0035695413	Discard	260
406	93068	Laptop	0036126307	Discard	260
407	92714	Laptop	0035863871	Discard	260
408	89147	Laptop	0032551209	Discard	260
409	85796	Laptop	0024336462	Discard	260
410	85792	Laptop	0024336465	Discard	260
411	92597	Laptop	0035695456	Discard	260
412	93067	Laptop	0036126304	Discard	260
413	92589	Laptop	0035695441	Discard	260
414	93070	Laptop	0036126302	Discard	260
415	92613	Laptop	0035695410	Discard	260
416	92608	Laptop	0035695432	Discard	260
417	93069	Laptop	0036126306	Discard	260
418	92625	Laptop	0035695407	Discard	260
419	92607	Laptop	0035695402	Discard	260
420	92704	Laptop	0035863880	Discard	260
421	N/A	Microwave	70613120GG	Discard	220
422	N/A	Monitor	0033066678	Discard	220
423	N/A	Monitor	Me35790L00045	Discard	220
424	N/A	Monitor	LIC33372072	Discard	220
425	N/A	Monitor	MUL8007A0046607	Discard	220
426	N/A	Monitor	ME35790L00014	Discard	220
427	N/A	Monitor	ETL240B13551401918RH	Discard	124
428	N/A	Monitor	ETL240B13551401904RH	Discard	124
429	N/A	Monitor	ETL240B13551401890RH	Discard	124

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430	N/A	Monitor	ETL240B13551401911RH	Discard	124
431	N/A	Monitor	ETL240B13551401907RH	Discard	124
432	N/A	Monitor	ETL240B13551401909RH	Discard	124
433	N/A	Monitor	ETL240B13551401899RH	Discard	124
434	N/A	Monitor	CN0RY979742618130W7S	Discard	124
435	N/A	Monitor	CN0RY979742618130WL	Discard	124
436	N/A	Monitor	CN0RY979742618130Y4S	Discard	124
437	7004312	Monitor	MUL501650071412	Discard	142
438	76004	Monitor	15009AA73026	Discard	124
439	N/A	Monitor	MUL5018A0039929	Discard	124
440	N/A	Monitor	MUL5016E0064117	Discard	124
441	N/A	Monitor	MUL5016E0064123	Discard	124
442	N/A	Monitor	MG46A 70P 02256	Discard	124
443	N/A	Monitor	MUL5016E0064127	Discard	124
444	070166	Monitor	N/A	Discard	250
445	N/A	Monitor	MUL7007K0049575	Discard	250
446	N/A	Monitor	NU17026D79248	Discard	250
447	81647	Monitor	N/A	Discard	250
448	N/A	Monitor	3CQ9211Y5J	Discard	124
449	N/A	Monitor	25B6201H2OH02D	Discard	124
450	N/A	Monitor	25B6201H1NZ7SY	Discard	124
451	N/A	Monitor	MW67BBON01916	Discard	120
452	N/A	Monitor	448302001	Discard	120
453	N/A	Monitor	MW682BON00404	Discard	120
454	N/A	Monitor	MW67ABON04238	Discard	120
455	N/A	Monitor	576104-001	Discard	120
456	N/A	Monitor	MW67BBON01920	Discard	120
457	N/A	Monitor	CNC033O48J	Discard	120
458	N/A	Monitor	CNC033P442	Discard	120
459	N/A	Monitor	MUL7007A0076911	Discard	120
460	N/A	Monitor	MUL700740076921	Discard	120
461	N/A	Monitor	MUL7046C0201207	Discard	120
462	N/A	Monitor	011105380	Discard	120
463	N/A	Monitor	L1C12103228	Discard	120
464	N/A	Monitor	MW672	Discard	147
465	N/A	Monitor	MW667	Discard	147
466	N/A	Monitor	MW679	Discard	147
467	N/A	Monitor	MW674	Discard	147
468	N/A	Monitor	MW679	Discard	147
469	N/A	Monitor	MW677	Discard	147
470	N/A	Monitor	MUL7007a0103430	Discard	M&O
471	N/A	Monitor	MW663BOC09570	Discard	M&O
472	N/A	Monitor	MRB56 50H 11040	Discard	106
473	N/A	Monitor	36107500EA	Discard	124
474	N/A	Monitor	1496701	Discard	124
475	N/A	Monitor	M1145NW6213927	Discard	124
476	N/A	Monitor	GQ13913490	Discard	124
477	N/A	Monitor	11P023600711	Discard	124

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478	N/A	Monitor	PJK0518A0593	Discard	124
479	N/A	Monitor	WMA6Y3526144	Discard	124
480	N/A	Monitor	WMA6Z2154659	Discard	124
481	N/A	Monitor	3CQ144N6ZK	Discard	Admin
482	91459	Monitor	0035388157	Discard	112
483	7003364	Monitor	MUL50220010140	Discard	112
484	7004312	Monitor	MUL5016E0072893	Discard	112
485	N/A	Monitor	MUL5022C0040496	Discard	112
486	7004788	Monitor	MUL5022C0020492	Discard	112
487	7004312	Monitor	MUL5016E0072910	Discard	112
488	7004312	Monitor	MUL5016E0064074	Discard	112
489	7004312	Monitor	MUL5016E0072887	Discard	112
490	7004312	Monitor	MUL5016E0072907	Discard	112
491	7004312	Monitor	MUL5016E0072876	Discard	112
492	7004312	Monitor	MUL5016E0072899	Discard	112
493	N/A	Monitor	MLU5022J0004821	Discard	260
494	N/A	Monitor	15017E244747	Discard	260
495	N/A	Monitor	MLU5022J0007898	Discard	260
496	N/A	Monitor	MLU5022J0007890	Discard	260
497	N/A	Monitor	MLU5022J0007896	Discard	260
498	N/A	Monitor	MLU5022J0007862	Discard	260
499	N/A	Monitor	MLU5022J0007870	Discard	260
500	N/A	Monitor	MLU5022J0007871	Discard	260
501	N/A	Monitor	Q55351200324	Discard	260
502	N/A	Monitor	MUL5022J0007875	Discard	260
503	N/A	Monitor	MUL5022J0009816	Discard	260
504	N/A	Monitor	MUL5022J0004811	Discard	260
505	N/A	Monitor	MUL5022J0007873	Discard	260
506	N/A	Monitor	MUL5022J0007901	Discard	260
507	N/A	Monitor	MUL5022J0004814	Discard	260
508	N/A	Monitor	4000661	Discard	260
509	ARUSD0005283	Monitor	2UA2100WON	Discard	Admin
510	426312	Netbook	CNF0466VN6C	Discard	112
511	N/A	Overhead Projector	1163137	Discard	112
512	N/A	Overhead Projector	LR45911	Discard	112
513	RUSD86480	Printer	N/A	Discard	220
514	RUSD86655	Printer	N/A	Discard	220
515	N/A	Printer	MY0941F02VJJ	Discard	124
516	N/A	Printer	Mx1b16dinr	Discard	142
517	88363	Printer	MY0941F02VJJ	Discard	124
518	N/A	Printer	WL7WL0K4726	Discard	124
519	N/A	Printer	CN08Q1S182JJ	Discard	124
520	N/A	Printer	CN15N6Q12HBH	Discard	124
521	89488	Printer	CNBKK47382	Discard	122
522	89587	Printer	CNBJP55983	Discard	122
523	89483	Printer	CNBKK59882	Discard	122
524	81316	Printer	N/A	Discard	122
525	89486	Printer	N/A	Discard	122

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526	89481	Printer	N/A	Discard	122
527	N/A	Printer	A6RK178599	Discard	122
528	X00A6J4J	Printer	JPDKC41420	Discard	122
529	N/A	Printer	09460434539	Discard	122
530	N/A	Printer	A6R1161963	Discard	122
531	90391	Printer	N/A	Discard	122
532	89482	Printer	N/A	Discard	122
533	N/A	Printer	CN6AGDF64B	Discard	M&O
534	REG 85758	Printer	CNBRG85477	Discard	106
535	REG 85757	Printer	CNBRMO3775	Discard	106
536	108098	Printer	CNWBFB06945	Discard	Admin
537	89488	Printer	CNBKK47382	Discard	122
538	89587	Printer	CNBJP55983	Discard	122
539	89483	Printer	CNBKK59882	Discard	122
540	81316	Printer	N/A	Discard	122
541	89486	Printer	N/A	Discard	122
542	89481	Printer	N/A	Discard	122
543	N/A	Printer	A6RK178599	Discard	122
544	X00A6J4J	Printer	JPDKC41420	Discard	122
545	N/A	Printer	09460434539	Discard	122
546	N/A	Printer	A6R1161963	Discard	122
547	90391	Printer	N/A	Discard	122
548	89482	Printer	N/A	Discard	122
549	N/A	Printer	MY46R42R1	Discard	112
550	N/A	Printer	MY46R42ZR	Discard	112
551	N/A	Printer	MY4474P28S	Discard	112
552	N/A	Printer	MY4474P297	Discard	112
553	N/A	Printer	MY46R4K228	Discard	112
554	N/A	Printer	MY46R4K22F	Discard	112
555	N/A	Printer	CN8ATD1267	Discard	112
556	N/A	Printer	MX9341B291	Discard	112
557	N/A	Printer	CN537210KJ	Discard	112
558	N/A	Printer	CNB9M34226	Discard	260
559	N/A	Projector	G7218724	Discard	220
560	N/A	Projector	C83344	Discard	122
561	30497	Projector	N/A	Discard	122
562	N/A	Projector	6631137	Discard	122
563	N/A	Projector	18158074	Discard	122
564	N/A	Projector	18157958	Discard	122
565	N/A	Projector	C81968	Discard	122
566	N/A	Projector	95418251	Discard	122
567	N/A	Projector	C83345	Discard	122
568	N/A	Projector	C71316	Discard	122
569	N/A	Projector	C82881	Discard	122
570	N/A	Projector	18157955	Discard	122
571	N/A	Projector	683156	Discard	122
572	N/A	Projector	C85176	Discard	122
573	46598	Projector	611810	Discard	122

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574	095820	Projector	N/A	Discard	122
575	73303	Projector	N/A	Discard	122
576	096000	Projector	18147624	Discard	122
577	71243	Projector	N/A	Discard	122
578	N/A	Projector	217185	Discard	122
579	095671	Projector	N/A	Discard	122
580	30497	Projector	N/A	Discard	122
581	N/A	Projector	6631137	Discard	122
582	N/A	Projector	18158074	Discard	122
583	N/A	Projector	18157958	Discard	122
584	N/A	Projector	C81968	Discard	122
585	N/A	Projector	95418251	Discard	122
586	N/A	Projector	C83345	Discard	122
587	N/A	Projector	C71316	Discard	122
588	N/A	Projector	C82881	Discard	122
589	N/A	Projector	18157955	Discard	122
590	N/A	Projector	683156	Discard	122
591	N/A	Projector	C85176	Discard	122
592	46598	Projector	611810	Discard	122
593	095820	Projector	N/A	Discard	122
594	73303	Projector	N/A	Discard	122
595	096000	Projector	18147624	Discard	122
596	71243	Projector	N/A	Discard	122
597	N/A	Projector	217185	Discard	122
598	N/A	Projector	C83344	Discard	122
599	095671	Projector	N/A	Discard	122
600	N/A	Quantum Fireball HD	134923625734	Discard	124
601	N/A	Quantum Fireball HD	128904313328	Discard	124
602	N/A	Quantum Fireball HD	128904714621	Discard	124
603	N/A	Quantum Fireball HD	828912355342	Discard	124
604	N/A	Scanner	L2723-64001	Discard	620
605	Model 60027	Tablet	N/A	Discard	250
606	Model 2228	Tablet	N/A	Discard	250
607	Model 60001	Tablet	N/A	Discard	250
608	Model 2298	Tablet	N/A	Discard	250
609	107588	Tablet	0036639754	Discard	112
610	REG83151	Television	86303284	Discard	M&O
611	REG88327	Television	25000430	Discard	M&O
612	84322	Television	07633663	Discard	122
613	79754	Television	12413959	Discard	122
614	N/A	Television	09919121	Discard	122
615	N/A	Television	14010499	Discard	122
616	73302	Television	3CAH900499	Discard	122
617	32504	Television	3CAH700719	Discard	122
618	71259	Television	3CAGA00106	Discard	122
619	405575306	Television	B0250301502369	Discard	122
620	405575306	Television	B0250301503341	Discard	122
621	02245	Television	N/A	Discard	122

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622	84322	Television	07633663	Discard	122
623	73302	Television	3CAH900499	Discard	122
624	32504	Television	3CAH700719	Discard	122
625	N/A	Television	125Y0268	Discard	122
626	79754	Television	12413959	Discard	122
627	02245	Television	N/A	Discard	122
628	405575306	Television	B0250301502369	Discard	122
629	405575306	Television	B0250301503341	Discard	122
630	71259	Television	3CAGA00106	Discard	122
631	N/A	Television	09919121	Discard	122
632	N/A	Television	14010499	Discard	122
633	None	Typewriter	E2E272591	Discard	112
634	01385	VCR	6D1A03597	Discard	122
635	N/A	VCR	125Y0268	Discard	122
636	N/A	VCR	39573397	Discard	122
637	N/A	VCR	39573446	Discard	122
638	N/A	VCR	39573397	Discard	122
639	01385	VCR	6D1A03597	Discard	122
640	N/A	VCR	39573446	Discard	122
641	N/A	VCR	114X3658	Discard	112

**Board Meeting Agenda
December 8, 2014**

Topic: Resolution No. 2014/15-18 – Resolution of the Board of Education of the Riverside Unified School District Authorizing the Maintenance of Bank Accounts, and Approving the Authorized Signatures for Such Bank Accounts

Presented by: Brenda Hofer, Accountant

Responsible

Cabinet Member: Michael H. Fine, Deputy Superintendent Business Services and Governmental Relations

Type of Item: Consent

Short Description: It is necessary to update the authorized signatures for the Frank Augustus Miller Middle School Associated Student Body (ASB) account.

DESCRIPTION OF AGENDA ITEM:

Although the majority of the District’s financial transactions are processed through the County Treasury, the District, in accordance with the California Education Code, has maintained bank accounts at various financial institutions in the community to support its special operations and Associated Student Bodies. This resolution will update the authorized signatures for the Frank Augustus Miller Middle School ASB account.

FISCAL IMPACT: \$0

RECOMMENDATION: It is recommended that the Board of Education adopt Resolution No. 2014/2015-18 – Updating the Authorized Signatures for the Frank Augustus Miller Middle School ASB account.

ADDITIONAL MATERIAL: Resolution No. 2014/15-18

Attached: Yes

RIVERSIDE UNIFIED SCHOOL DISTRICT

Resolution No. 2014/15-18

**RESOLUTION OF THE BOARD OF EDUCATION OF THE RIVERSIDE
UNIFIED SCHOOL DISTRICT AUTHORIZING THE MAINTENANCE
OF BANK ACCOUNTS, AND APPROVING THE AUTHORIZED
SIGNATURES FOR SUCH BANK ACCOUNTS**

WHEREAS, the Riverside Unified School District (District) must establish and maintain bank accounts for the purposes of District operations and associated student body activities; and

WHEREAS, the persons listed below by name and organizational title are designated as being authorized signatures for the purposes set forth below;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The financial institutions listed below are selected and designated as a depository of funds of the Riverside Unified School District (District), and that such deposit account or accounts be established and maintained by and in the name of the District, and that said financial institutions are authorized to act without further inquiry in accordance with writings bearing the signatures of the persons listed below until such financial institutions receive written notice that signature(s) are no longer authorized.
2. The officer named below has been duly authorized, is now acting and is authorized to access information on each account, on behalf of the District:

Michael H. Fine, Deputy Superintendent Business Services and Governmental Relations

3. The employees and/or agents named below have been duly authorized, are now acting and are authorized to draw checks in the manner set forth on each respective account as indicated below:

Frank Augustus Miller Middle School Associated Student Body

Altura Credit Union, Account Number ending in “7226”

By any two of the following persons designated by name and organizational title;

Michael H. Fine, Deputy Superintendent Business Services and Governmental Relations

Sandra L. Meekins, Director V – Business Services

Jill Collier, Fiscal Services Manager – Payroll/ASB

Annette Alvarez, Fiscal Services Manager – Attendance Accounting

Cheryl A. Simmons – Principal

Mark Shaw – Assistant Principal

4. This resolution and each such certification shall remain in force and effect, and the financial institution listed above is authorized and requested to rely and act thereon and shall be indemnified and saved harmless from all liability and loss incurred by them in continuing to act in pursuance of this resolution (even though they may have been changed) until they shall receive at their office to which a certified copy of this resolution is delivered, either a certified copy of a further resolution of the Board of Education amending or rescinding this resolution or a further certification as above provided for, as the case may be.
5. The Clerk of the Board of Education is authorized and directed to certify to the financial institution listed above that this resolution has been duly adopted and is in conformity with the articles of incorporation, charter, and by-laws or other governing instrument of the District, and further to certify to the financial institution listed above a copy of this resolution, the names and specimen signatures of the present officers and other persons of this organization authorized to sign as aforesaid, and the fact of any change of the persons herein designated by title together with the names and specimen signature of the successor.

PASSED AND ADOPTED by the Board of Education of the Riverside Unified School District at its regular meeting held on December 8, 2014 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Clerk
Board of Education

Dated: _____

**Board Meeting Agenda
December 8, 2014**

Topic: Resolution No. 2014/15-19 – Resolution of the Board of Education of the Riverside Unified School District to Appropriate Revenues, Expenditures, and Fund Balance

Presented by: Brenda Hofer, Accountant

Responsible

Cabinet Member: Michael H. Fine, Deputy Superintendent Business Services and Governmental Relations

Type of Item: Consent

Short Description: Funds have been received or are anticipated to be received by the school district. The school district is also recognizing the lower than anticipated 2014/2015 Local Control Funding Formula revenue. Revenue lists are presented to the Board of Education for adoption.

DESCRIPTION OF AGENDA ITEM:

Subsequent to the adoption of the District’s annual budget, the District may receive funds or receive notice of the appropriation of new or additional funds to the District from a variety of federal, state and local sources. California Education Code Section 42602 provides that the governing board of a school district may, by a majority vote of its members, budget and use any unbudgeted income provided during the fiscal year from any source.

The attached resolution combines 1) the recognition of new revenue and associated expenditures, and 2) makes adjustments to previously recognized revenues and expenditures, which have been reduced to reflect lower than anticipated 2014/2015 Local Control Funding Formula revenue.

FISCAL IMPACT: -\$1,602,438.20

RECOMMENDATION: It is recommended that the Board of Education adopt Resolution No. 2014/2015-19– Resolution to Appropriate Revenues, Expenditures, and Fund Balance.

ADDITIONAL MATERIAL: A detailed listing of the new revenues and expenditures is attached to the resolution.

Attached: Yes

RIVERSIDE UNIFIED SCHOOL DISTRICT

Resolution No. 2014/15-19

**RESOLUTION OF THE BOARD OF EDUCATION OF THE RIVERSIDE
UNIFIED SCHOOL DISTRICT TO APPROPRIATE REVENUES,
EXPENDITURES, AND FUND BALANCE**

WHEREAS, the Board of Education of the Riverside Unified School District has determined that a deficit in the amount of -1,602,438.20 is anticipated due to a reduction of 2014/2015 Local Control Funding Formula revenue; and

WHEREAS, the Board of Education of the Riverside Unified School District has determined that reductions of expenditures in the amount of -\$1,602,438.20 are necessary in the current fiscal year; and

WHEREAS, such revenues, expenditures and/or fund balance is a deficit to amounts previously budgeted;

NOW, THEREFORE, BE IT RESOLVED, that pursuant to California Education Code Section 42602, such revenues, expenditures and/or fund balance shall be appropriated as detailed on the attached listing.

PASSED AND ADOPTED by the Board of Education of the Riverside Unified School District at its regular meeting held on December 8, 2014 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Clerk
Board of Education

Dated: _____

Fund	Revenue Type	Amount
03	State	(\$3,855,187.97)
03	Local	(945.00)
06	Federal	1,241,862.00
06	State	242,694.82
06	Local	19,054.95
11	Federal	354,303.00
12	Federal	81,419.00
12	State	121,868.00
12	Local	25,000.00
13	Federal	98,665.00
67	Local	68,828.00
		<u>(\$1,602,438.20)</u>

03	4000 Books and Supplies	\$250,000.00
03	5000 Services and Other Operating Expenditures	410,605.03
03	9000 Transfer	(4,516,738.00)
06	1000 Certificated Salaries	(12,941.00)
06	3000 Employee Benefits	(1,688.00)
06	4000 Books and Supplies	1,468,240.77
06	5000 Services and Other Operating Expenditures	50,000.00
11	4000 Books and Supplies	354,303.00
12	4000 Books and Supplies	228,287.00
13	4000 Books and Supplies	98,665.00
67	4000 Books and Supplies	68,828.00
		<u>(\$1,602,438.20)</u>



Riverside Unified School District

3380 14th Street • Riverside, CA • 92501

Board Meeting Agenda December 8, 2014

Topic: Approval of Change Order No. 2 – Bid No. 2013/14-07 – Category 02 – Concrete – Liberty Elementary School Wing Addition

Presented by: Jane Jumnongsilp, Fiscal Services Manager
Procurement and Accounts Payable

Responsible

Cabinet Member: Michael H. Fine, Deputy Superintendent Business Services and Governmental Relations

Type of Item: Consent

Short Description: A change is recommended in the scope of work for the Concrete category at the Liberty Elementary School Wing Addition.

DESCRIPTION OF AGENDA ITEM:

On December 9, 2013, the Board of Education approved Bid No. 2013/14-07 – Category 2 – Concrete – Liberty Elementary School Wing Addition. The bid was awarded to R. C. Construction Services, Inc. and Purchase Order C6003159 was issued in the amount of \$404,000.00. Included in the bid amount is a permissible allowance of \$25,000.00, due to unforeseen circumstances for this category. One subsequent change order was approved for \$2,989.00, bringing the total amount of the purchase order to \$406,989.00.

District staff is requesting a change in the scope of work for Change Order No. 2 to (1) revise the location of the trash enclosure and reconfigure the parking lot layout to provide sanitation truck a front approach to the trash bins; (2) provide one-half inch rebar twenty four inches apart at the stepped footing curb for proper reinforcement; (3) provide a six inch high concrete curb at the property line along the south side of the building; (4) remove existing playground equipment located too close to the parking lot; (5) provide a concrete curb between the truncated domes at the north parking lot accessible parking stalls; and (6) remove the specified traffic coating from the scope that was not needed when a moisture barrier was placed below the concrete finish.

Change Order No 2, in the amount of \$12,466.00 brings the total amount of the purchase order to \$419,455.00. Funding for this project is fifty percent (50%) from State Funds and fifty percent (50%) from Community Facilities District No. 16 funds.

FISCAL IMPACT: Change order value of \$12,466.00 is included in the budget for the project.

RECOMMENDATION: It is recommended that the Board of Education approve Change Order No. 3 in the amount of \$12,466.00 to R. C. Construction Services, Inc., bringing the new total amount of the purchase order to \$419,455.00.

ADDITIONAL MATERIAL: Request for Change Order No. 2 – Category 02 – Concrete – Liberty Elementary School Wing Addition.

Attached: Yes

Distribution to:

OWNER	<input checked="" type="checkbox"/>	FIELD	<input checked="" type="checkbox"/>
ARCHITECT	<input checked="" type="checkbox"/>	IOR	<input type="checkbox"/>
CONTRACTOR	<input type="checkbox"/>	DSA	<input type="checkbox"/>

PROJECT: Riverside Unified School District
 Liberty Classroom Building Addition
 Riverside, CA 92503

CHANGE ORDER NO: 27-02- 02

DATE: November 03, 2014

TO: Tilden-Coil, Inc.
 3612 Mission Inn Ave
 Riverside, CA 92501

HMC#: 3152145
DSA A#: 04-112203
DSA File #: 33-38

You are directed to make the following changes in this Contract:

Reference attached Item: 27.1 – 27.2

Not valid until signed by both the Owner and Architect.

Signature of the Contractor indicates his agreement herewith, including any adjustment in the Contract Sum or Contract Time.

The original Contract Sum	\$	\$404,000.00
Net change by previously authorized Change Orders	\$	\$2,989.00
The Contract Sum prior to this Change Order was	\$	\$406,989.00
The Contract Sum will be increased by this Change Order.....	\$	\$12,466.00
The new Contract Sum including this Change Order will be	\$	\$419,455.00

The Contract Time will be changed by **[0]** Days.

The Date of Completion as of the date of this Change Order therefore is: **November 15, 2014**

ARCHITECT

HMC Architects
 3546 Concoors Street
 Ontario, CA 91764

CONTRACTOR

R. C. Construction Services
 2223 N. Locust Ave
 Rialto, CA 92377

Authorized:

OWNER

Riverside Unified School District
 Post Office Box 2800
 Riverside, CA 92516

By _____

By _____

By _____

Date _____

Date _____

Date _____

cc:

File N:\Projects\3152 Riverside USD\145_Liberty ES CR Add\12-CO\03. CO\CO 27-02-02.doc

ITEM CO-27.1:
(PCR-095, CCD-08)

Reference As Approved Drawings C-1.2, C-3.1, A1.11 & A1.15:

Along the north parking lot, revise the location of the trash enclosure & reconfigure the parking lot layout as shown on drawings CD-26.01, CD-26.02, CD-26.03 & CD-26.04.

Justification:

Parking lot layout revised to provide the sanitation truck a front approach to the trash bins.

ADD \$8,822.00

ITEM CO-27.02:
(PCR-093)

Reference Drawings C:

At the stepped footing along the elevator pit, provide #4 at 24" o.c. ea. way at the center line of the extended curb.

At the property line along the south side of the new Building, provide a 6" high concrete curb.

At the play yard along the west end of the new parking lot, remove existing play equipment

At the north parking lot accessible parking stalls, provide a concrete curb between the specified truncated domes.

Along walkway 211, remove from scope the specified traffic coating.

Justification:

Clarify the reinforcement required along the extended footing curb.
Allow the specified grades along the property line to be raised to obtain a shallower cross slope between the building and the adjacent property line.

Play equipment was located too close to the new parking lot.

Concrete curb added in lieu of truncated domes.

Mositure barrier was placed below the concrete finish.

ADD \$3,644.00

TOTAL CHANGE ORDER \$12,466.00

**Board Meeting Agenda
December 8, 2014**

Topic: Approval of Change Order No. 2 – Bid No. 2013/14-10 – Category 5 – Rough Carpentry – Liberty Elementary School Wing Addition

Presented by: Jane Jumnongsilp, Fiscal Services Manager
Procurement and Accounts Payable

Responsible

Cabinet Member: Michael H. Fine, Deputy Superintendent Business Services and Governmental Relations

Type of Item: Consent

Short Description: A change is recommended in the scope of work for the Rough Carpentry category at the Liberty Elementary School Wing Addition.

DESCRIPTION OF AGENDA ITEM:

On December 9, 2013, the Board of Education approved Bid No. 2013/14-10 – Category 5 – Rough Carpentry – Liberty Elementary School Wing Addition. The bid was awarded to Fata Construction & Development, Inc. and Purchase Order C6003126 was issued in the amount of \$542,000.00. One subsequent change order was approved for \$17,252.00, bringing the total amount of the purchase order to \$559,252.00.

District staff is requesting a change in the scope of work for Change Order No. 2 to (1) install plywood to each of the teaching walls and provide plastic sheets along the first floor interior walls to protect the installed drywall in case of a possible rain event; (2) reframe the wall supporting the restrooms due to incorrect framing layout provided by the plumbing contractor; (3) reframe a section of the exterior walls along the stairs to allow for the proper anchorage of the stairs; (4) provide a layer of asphaltic membrane at the second floor to ensure a complete water tight seal along the exterior corridor; (5) increase the size of the mechanical shaft in classroom 209 to accommodate the mechanical ducts; (6) Provide parallel strand lumber at the second floor that was inadvertently not shown on the structural framing plan; (7) provide a hold down that was inadvertently not shown on the structural framing plans; (8) install one hour rated windows that was inadvertently not scoped to any contractors in the bid documents; (9) provide a full height furred wall along the south side to conceal exposed electrical conduits; (10) remove and replace the installed plywood to accommodate the revised data infrastructure; (11) infill the floor opening at the shaft located in room 210 that was not needed; (12) revise the location of the

installed cross bracing along the exterior soffits to allow for installation of exterior fixtures; (13) provide the compression strut blocking along the suspended ceilings in lieu of the unapproved blocking that was installed due to miscommunication between construction manager and contractor; (14) replace the specified PSL hangers along the floor framing due to space conflict with the skewed beam and the posts; and (15) utilize the allowance to offset the added scope cost.

Change Order No 2, in the amount of \$35,951.00, brings the total amount of the purchase order to \$595,203.00. Funding for this project is fifty percent (50%) from State Funds and fifty percent (50%) from Community Facilities District No. 16 funds.

FISCAL IMPACT: Change order value of \$35,951.00 is included in the budget for this project.

RECOMMENDATION: It is recommended that the Board of Education approve Change Order No. 2 in the amount of \$35,951.00 to Fata Construction & Development, Inc., bringing the new total amount of the purchase order to \$595,203.00.

ADDITIONAL MATERIAL: Request for Change Order No. 2 – Category 5 – Rough Carpentry – Liberty Elementary School Wing Addition.

Attached: Yes

Distribution to:

OWNER	<input checked="" type="checkbox"/>	FIELD	<input checked="" type="checkbox"/>
ARCHITECT	<input checked="" type="checkbox"/>	IOR	<input checked="" type="checkbox"/>
CONTRACTOR	<input checked="" type="checkbox"/>	DSA	<input checked="" type="checkbox"/>

PROJECT: Riverside Unified School District
 Liberty Classroom Building Addition
 Riverside, CA 92503

CHANGE ORDER NO: 23-05-02

DATE: November 03, 2014

TO: Tilden-Coil, Inc.
 3612 Mission Inn Ave
 Riverside, CA 92501

HMC#: 3152145
DSA A#: 04-112203
DSA File #: 33-38

You are directed to make the following changes in this Contract:

Reference attached Item: 23.01 – 23.04

Not valid until signed by both the Owner and Architect.

Signature of the Contractor indicates his agreement herewith, including any adjustment in the Contract Sum or Contract Time.

The original Contract Sum	\$	542,000.00
Net change by previously authorized Change Orders	\$	17,252.00
The Contract Sum prior to this Change Order was	\$	559,252.00
The Contract Sum will be increased by this Change Order	\$	35,951.00
The new Contract Sum including this Change Order will be	\$	595,203.00

The Contract Time will be changed by **[37]** Days.

The Date of Completion as of the date of this Change Order therefore is: **November 17, 2014.**

ARCHITECT

HMC Architects
 3546 Concoors Street
 Ontario, CA 91764

By _____

Date _____

CONTRACTOR

FATA Construction Inc.
 19135 Vintage Wood Drive
 Riverside, CA 92508

By _____

Date _____

Authorized:

OWNER

Riverside Unified School District
 Post Office Box 2800
 Riverside, CA 92516

By _____

Date _____

ITEM CO-23.01:
(PCR-034R1)

Reference As Approved Drawings A2.10, A2.20, S1.1, S2.1 & S4.3:

Along the 1st and 2nd floor classrooms, provide a layer of ½" plywood to each of the teaching walls.

Provide plastic sheets along the 1st floor interior shear walls.

Along the 1st floor restrooms, reframe the wall supporting the lavatories.

Along the east and west stairs, reframe a section of the exterior walls.

At the 2nd floor, provide a 36" wide layer of Asphaltic Membrane centered along grid line '2'.

In Classroom 209, increase the size of the mechanical shaft to 6'-8".

At the 2nd floor, along grid line G.1, provide a 7" x 14" PSL.

Along the intersection of grid lines 'K' & '3', provide a hold down per detail 20/S0.6.

Justification:

Owner Requested.

Protect the installed drywall in case of a possible rain event.

Incorrect framing layout was provided by the plumbing contractor.

Walls were reframed to allow for the proper anchorage of the stairs as shown on detail H/S4.3.

Ensure a complete water tight seal along the exterior corridor.

Shaft size increased to accommodate the mechanical ducts.

The PSL was inadvertently not shown on the structural framing plan.

The hold down was inadvertently not shown on the structural framing plans.

ADD \$26,325.00

ITEM CO-23.02:
(PCR-043)

Reference As Approved Drawings A2.10, A2.20, A3.10, A3.20, A6.11, S4.2 E3.10:

At Classrooms 202 & 209, install the 1-Hr rated Type B1 windows.

In Elec 110, provide a full height furred wall along the south side.

Along the 1st floor classroom teaching walls, remove and replace the installed plywood to accommodate the revised data infrastructure.

In Classroom 210, infill the floor opening at the shaft located along lines K and 5.

Along the 1st and 2nd exterior soffits, revise the location of the installed cross bracing as shown on detail E/S4.2, maintain the 48" o.c. max spacing for the braces.

Along the 1st and 2nd floor suspended ceilings, provide the compression strut blocking as shown on detail B3/A10.11 in lieu of the unapproved blocking detail that was installed by the contractor.

Justification:

The installation of the 1-Hr rated Type B1 windows was inadvertently not scoped to anyone of the Bid Package contractors.

Furred wall added to conceal exposed electrical conduits.

Owner Requested revision.

A mechanical shaft was not needed in room 210.

Bracing relocated to allow for the installation of the specified light fixtures.

Due to mis-communication between the construction manager and the contractor that the unapproved blocking detail would be approved, contractor had to remobilize to install the specified compression strut blocking.

ADD \$11,359.00

ITEM CO-23.03:
(PCR-071, CCD-05)

Reference As Approved Drawing S2.1:

Along the 2nd floor framing, replace the specified PSL hangers located at the intersection of H & 2 and H & 4 with the hanger as shown on drawings CD-17.01 & CD-17.02.

Justification:

Hanger revised due to space conflict with the skewed beam and the (2) HSS posts.

ADD \$2,044.00

ITEM CO-23.04:

Reference Bid Category 05 – Rough Carpentry:

Utilize the Bid Category-05 Journeyman Hour Allowance to offset Change Order Items 23.01 thru 23.03.

Justification:

Utilize the Bid Category-05 Journeyman Hour Allowance to offset the added scope cost.

DEDUCT (\$3,777.00)

TOTAL CHANGE ORDER \$35,951.00

**Board Meeting Agenda
December 8, 2014**

Topic: Approval of Change Order No. 1 – Bid No. 2013/14-17 – Category 12 – Fire Sprinklers – Liberty Elementary School Wing Addition

Presented by: Jane Jumnongsilp, Fiscal Services Manager
Procurement and Accounts Payable

Responsible
Cabinet Member: Michael H. Fine, Deputy Superintendent Business Services and Governmental Relations

Type of Item: Consent

Short Description: A change is recommended in the scope of work for the Fire Sprinklers category at the Liberty Elementary School Wing Addition.

DESCRIPTION OF AGENDA ITEM:

On December 9, 2013, the Board of Education approved Bid No. 2013/14-17 – Category 12 – Fire Sprinklers – Liberty Elementary School Wing Addition. The bid was awarded to J. G. Tate Fire Protection, Inc. and Purchase Order C6003152 was issued in the amount of \$67,800.00.

District staff is requesting a change in the scope of work for Change Order No. 1 to (1) provide additional material as required to conceal the sprinkler piping under the stair framing to protect from vandalism; and (2) provide a pendant sprinkler head as required by the elevator inspector.

Change Order No 1, in the amount of \$2,351.00, brings the total amount of the purchase order to \$70,151.00. Funding for this project is fifty percent (50%) from State Funds and fifty percent (50%) from Community Facilities District No. 16 funds.

FISCAL IMPACT: Change order value of \$2,351.00 is included in the budget for this project.

RECOMMENDATION: It is recommended that the Board of Education approve Change Order No. 1 in the amount of \$2,351.00 to J. G. Tate Fire Protection, Inc., bringing the new total amount of the purchase order to \$70,151.00.

ADDITIONAL MATERIAL: Request for Change Order No. 1 – Category 12 – Fire Sprinklers
– Liberty Elementary School Wing Addition.

Attached: Yes

Distribution to:

OWNER	<input checked="" type="checkbox"/>	FIELD	<input type="checkbox"/>
ARCHITECT	<input checked="" type="checkbox"/>	IOR	<input type="checkbox"/>
CONTRACTOR	<input checked="" type="checkbox"/>	DSA	<input type="checkbox"/>

PROJECT: Riverside Unified School District
 Liberty Classroom Building Addition
 Riverside, CA 92503

CHANGE ORDER NO: 29-12-01

DATE: November 03, 2014

TO: Tilden-Coil, Inc.
 3612 Mission Inn Ave
 Riverside, CA 92501

HMC#: 3152145
DSA A#: 04-112203
DSA File #: 33-38

You are directed to make the following changes in this Contract:

Reference attached Item: 29.01

Not valid until signed by both the Owner and Architect.
 Signature of the Contractor indicates his agreement herewith, including any adjustment in the Contract Sum or Contract Time.

The original Contract Sum	\$	67,800.00
Net change by previously authorized Change Orders	\$	0.00
The Contract Sum prior to this Change Order was	\$	67,800.00
The Contract Sum will be Increased by this Change Order	\$	2,351.00
The new Contract Sum including this Change Order will be	\$	70,151.00

The Contract Time will be changed by **[0]** Days.
 The Date of Completion as of the date of this Change Order therefore is: **November 17, 2014**

ARCHITECT

HMC Architects
 3546 Concoors Street
 Ontario, CA 91764

CONTRACTOR

J.G. Tate Fire Protection
 systems, Inc.
 13771 Danielson Street, Suite F
 Poway, CA 92064

Authorized:

OWNER

Riverside Unified School District
 Post Office Box 2800
 Riverside, CA 92516

By _____

Date _____

By _____

Date _____

By _____

Date _____

ITEM CO-29.01:
(PCR-102)

Reference Drawing FP3:

At the east and west stairs, provide additional material as required to conceal the sprinkler piping under the stair framing and provide an additional head under the east stairs.
In Machine Room 112, provide a pendant sprinkler head.

Justification:

Sprinkler piping concealed within the stair framing to protect piping from being vandalized.
Pendant sprinkler head required by the elevator inspector.

ADD \$2,351.00

TOTAL CHANGE ORDER \$2,351.00

**Board Meeting Agenda
December 8, 2014**

Topic: Approval of Change Order No. 1 and No. 2 – Bid No. 2013/14-18 – Category 13 – Miscellaneous Trades – Liberty Elementary School Wing Addition

Presented by: Jane Jumnongsilp, Fiscal Services Manager
Procurement and Accounts Payable

Responsible

Cabinet Member: Michael H. Fine, Deputy Superintendent Business Services and Governmental Relations

Type of Item: Consent

Short Description: A change is recommended in the scope of work for the Miscellaneous Trades category at the Liberty Elementary School Wing Addition.

DESCRIPTION OF AGENDA ITEM:

On December 9, 2013, the Board of Education approved Bid No. 2013/14-18 – Category 13 – Miscellaneous Trades – Liberty Elementary School Wing Addition. The bid was awarded to Inland Building Construction Companies, Inc. and Purchase Order C6003133 was issued in the amount of \$352,800.00.

District staff is requesting a change in the scope of work for Change Order No. 1 to (revise the size of the chain link fence enclosures at the existing and at the new Fire Hydrant, Fire Department Connection and Pressure Indicator Valve and included Knox Boxes; and (2) utilize a portion of the Bid Category 13 - \$39,095.25 CMU wall credit to offset the cost.

District staff is requesting a change in the scope of work for Change Order No. 2 to (1) remove the six foot high concrete masonry wall from the scope of work; (2) provide a site security system for eight months; (3) provide a tack board finish on the wall below the countertops at all classrooms to provide a uniform wall finish; (4) remove shades from the scope of work for code compliance; (5) revise the size of the chain link fence enclosures at the existing and new fire hydrant as required by the Riverside Fire Department; (6) revise the connection to the elevator and the feeder schedule to meet code requirements; (7) provide a separate bell for the second floor sprinkler riser; and (8) replace the push buttons with lockout key switches to allow controlled access to the elevator.

Change Order No. 1 (\$0.00) and Change Order No. 2 (\$2,878.00) in the amount of (\$2,878.00), brings the total amount of the purchase order to \$349,922.00. Funding for this project is fifty percent (50%) from State Funds and fifty percent (50%) from Community Facilities District No. 16 funds.

FISCAL IMPACT: Change order value of (\$2,878.00) is a credit to the budget for this project.

RECOMMENDATION: It is recommended that the Board of Education approve Change Order No. 1 and No. 2 in the amount of (\$2,878.00) to Inland Building Construction Companies, Inc., bringing the new total amount of the purchase order to \$349,922.00.

ADDITIONAL MATERIAL: Request for Change Order No. 1 and No. 2 – Category 13 – Miscellaneous Trades – Liberty Elementary School Wing Addition.

Attached: Yes

Distribution to:

OWNER	<input checked="" type="checkbox"/>	FIELD	<input type="checkbox"/>
ARCHITECT	<input checked="" type="checkbox"/>	IOR	<input type="checkbox"/>
CONTRACTOR	<input checked="" type="checkbox"/>	DSA	<input type="checkbox"/>

PROJECT: Riverside Unified School District
Liberty Classroom Building Addition
Riverside, CA 92503

CHANGE ORDER NO: 17-13-01

DATE: August 6, 2014

TO: Tilden-Coil, Inc.
3612 Mission Inn Ave
Riverside, CA 92501

HMC#: 3152145
DSA A#: 04-112203
DSA File #: 33-38

You are directed to make the following changes in this Contract:

Reference attached Item: 17.01 – 17.02

Not valid until signed by both the Owner and Architect.

Signature of the Contractor indicates his agreement herewith, including any adjustment in the Contract Sum or Contract Time.

The original Contract Sum	\$	352,800.00
Net change by previously authorized Change Orders	\$	0.00
The Contract Sum prior to this Change Order was	\$	352,800.00
The Contract Sum will be <i>unchanged</i> by this Change Order	\$	0.00
The new Contract Sum including this Change Order will be	\$	352,800.00

The Contract Time will be changed by **[0]** Days.

The Date of Completion as of the date of this Change Order therefore is: **November 17, 2014**

ARCHITECT

HMC Architects
3546 Concourses Street
Ontario, CA 91764



By _____

Date AUG-16-2014

CONTRACTOR

Inland Building Construction
Companies, Inc.
323 South Sierra Way
San Bernardino, CA 92408

By [Signature]

Date 9/19/14

Authorized:

OWNER

Riverside Unified School District
Post Office Box 2800
Riverside, CA 92516

By [Signature]

Date 10/9/14

ITEM CO-17.01:
(PCR-032)

Reference Drawings C-6 & A1.12 and Addendum #3 Item No AD-3.11:

Revise the size of the chain link fence enclosures at the existing and at the new Fire Hydrant, Fire Department Connection and Pressure Indicator Valve and includes Knox Boxes as shown on drawings CD-09.01 and CD-09.02.

Justification:

Revise chain link enclosures as required by the Riverside Fire Department.

ADD \$12,201.00

ITEM CO-17.02:
(RFI-008)

Reference Drawings C-4 & A1.11

Utilize a portion of the Bid Category-13 \$39,095.25 CMU wall credit to offset Change Order Item 17.1.

Justification:

Utilize a portion of the Bid Category-13 Credit to offset the added scope costs.

DEDUCT \$(12,201.00)

TOTAL CHANGE ORDER \$0.00

Distribution to:

OWNER	<input checked="" type="checkbox"/>	FIELD	<input type="checkbox"/>
ARCHITECT	<input checked="" type="checkbox"/>	IOR	<input type="checkbox"/>
CONTRACTOR	<input checked="" type="checkbox"/>	DSA	<input type="checkbox"/>

PROJECT: Riverside Unified School District
 Liberty Classroom Building Addition
 Riverside, CA 92503

CHANGE ORDER NO: 28-13-02

DATE: November 03, 2014

TO: Tilden-Coil, Inc.
 3612 Mission Inn Ave
 Riverside, CA 92501

HMC#: 3152145
DSA A#: 04-112203
DSA File #: 33-38

You are directed to make the following changes in this Contract:

Reference attached Item: 28.01

Not valid until signed by both the Owner and Architect.

Signature of the Contractor indicates his agreement herewith, including any adjustment in the Contract Sum or Contract Time.

The original Contract Sum	\$	352,800.00
Net change by previously authorized Change Orders	\$	0.00
The Contract Sum prior to this Change Order was	\$	352,800.00
The Contract Sum will be Decreased by this Change Order	\$	(2,878.00)
The new Contract Sum including this Change Order will be	\$	349,922.00

The Contract Time will be changed by **[0]** Days.

The Date of Completion as of the date of this Change Order therefore is: **November 17, 2014**

ARCHITECT

HMC Architects
 3546 Concoors Street
 Ontario, CA 91764

By _____

Date _____

CONTRACTOR

Inland Building Construction
 Companies, Inc.
 323 South Sierra Way
 San Bernardino, CA 92408

By _____

Date _____

Authorized:

OWNER

Riverside Unified School District
 Post Office Box 2800
 Riverside, CA 92516

By _____

Date _____

ITEM CO-28.01:
(PDCR-015)

Reference Drawings C-4, C-6, A1.12, A2.10, A2.20, E5.10 & E5.11, E5.12, EFA0.12, EFA2.20:

Along the west end of the new Building, remove from scope the 6'-0" high CMU wall.

Provide a Site Security system for 8 months.

Along the east wall of the 1st and 2nd floor classrooms, provide a tackboard finish on the wall below the countertops.

In Classrooms 202 & 209, remove from scope the specified shades from the Type B1 windows.

Revise the size of the chain link fence enclosures at the existing and at the new Fire Hydrant, Fire Department Connection and Pressure Indicator Valve as shown on drawings CD-09.01 & CD-09.02.

Revise connection to elevator and the feeder schedule as shown on drawings CD-32.01R1 CD-32.02R1.

Revise the Fire Alarm Riser Diagram for FACP, provide a fire alarm sprinkler bell in Data 206 with new circuit to panel G22 as shown on drawings CD-33.01, CD-33.02 & CD-33.03.

At the new elevator, replace the push buttons with lockout key switches.

Justification:

The proposed CMU wall was located over a storm drain easement. Owner Requested.

Provide a uniform wall finish.

The Type B1 windows are rated and no direct attachment to the window frame is allowed.

Revise the chain link enclosures as required by the Riverside Fire Department.

Coordinate elevator power requirements.

Provide a separate bell for the second floor sprinkler riser.

Allow controlled access to the elevator.

DEDUCT (\$2,878.00)

**Board Meeting Agenda
December 8, 2014**

Topic: Approval of Change Order No. 1 and No. 2 – Bid No. 2013/14-20 – Category 15 – Mechanical Systems – Liberty Elementary School Wing Addition

Presented by: Jane Jumnongsilp, Fiscal Services Manager
Procurement and Accounts Payable

Responsible

Cabinet Member: Michael H. Fine, Deputy Superintendent Business Services and Governmental Relations

Type of Item: Consent

Short Description: A change is recommended in the scope of work for the Mechanical Systems category at the Liberty Elementary School Wing Addition.

DESCRIPTION OF AGENDA ITEM:

On February 18, 2014, the Board of Education approved Bid No. 2013/14-20 – Category 15 – Mechanical Systems – Liberty Elementary School Wing Addition. The bid was awarded to Franklin Mechanical Systems, Inc. and Purchase Order C6003191 was issued in the amount of \$337,200.00. Included in the bid amount is a permissible allowance of \$25,000.00, due to unforeseen circumstances for this category.

District staff is requesting a change in the scope of work for Change Order No. 1 to (1) relocate exhaust fans 2, 3 & 4 away from the roof cricket area to a flatter part of the roof; and (2) exhaust fan ducts that penetrate rated shafts in Classroom 206 and Data 206, to provide fire dampers.

In addition, District staff is requesting a change in the scope of work for Change Order No. 2 to (1) trench and install conduits to Portable No. 16 when they were damaged during construction; and (2) utilize a portion of the Bid Category Allowance to offset this change order and give a credit to the district of the unused portion of the allowance.

Change Order No. 1 (\$2,630.00) and Change Order No. 2 (\$13,929.00) are part of the \$25,000.00 permissible allowance. The remaining balance of permissible allowance is \$8,441.00 for this project.

Funding for this project is fifty percent (50%) from State Funds and fifty percent (50%) from Community Facilities District No. 16 funds.

FISCAL IMPACT: Change order values of \$2,630.00 and \$13,929.00 are included in the budget for this project as part of permissible allowance. Permissible allowance remaining is \$8,441.00 for this project.

RECOMMENDATION: It is recommended that the Board of Education approve Change Order No. 1 and No. 2 in the amount of \$2,630.00 and \$13,929.00 to Franklin Mechanical Systems, Inc. as part of the \$25,000.00 permissible allowance for this project.

ADDITIONAL MATERIAL: Request for Change Order No. 1 and No. 2 – Category 15 – Mechanical Systems – Liberty Elementary School Wing Addition.

Attached: Yes

Distribution to:

OWNER	<input checked="" type="checkbox"/>	FIELD	<input checked="" type="checkbox"/>
ARCHITECT	<input checked="" type="checkbox"/>	IOR	<input checked="" type="checkbox"/>
CONTRACTOR	<input checked="" type="checkbox"/>	DSA	<input checked="" type="checkbox"/>

PROJECT: Riverside Unified School District
Liberty Classroom Building Addition
Riverside, CA 92503

CHANGE ORDER NO: 15-15-01

DATE: August 6, 2014

TO: Tilden-Coil, Inc.
3612 Mission Inn Ave
Riverside, CA 92501

HMC#: 3152145
DSA A#: 04-112203
DSA File #: 33-38

You are directed to make the following changes in this Contract:

Reference attached Item: 15.01 - 15.03

Not valid until signed by both the Owner and Architect.

Signature of the Contractor indicates his agreement herewith, including any adjustment in the Contract Sum or Contract Time.

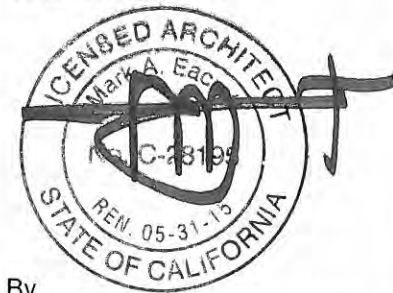
The original Contract Sum.....	\$	337,200.00
Net change by previously authorized Change Orders	\$	0.00
The Contract Sum prior to this Change Order was	\$	337,200.00
The Contract Sum will be <i>unchanged</i> by this Change Order.....	\$	0.00
The new Contract Sum including this Change Order will be.....	\$	337,200.00

The Contract Time will be changed by **[2]** Days.

The Date of Completion as of the date of this Change Order therefore is: **November 17, 2014.**

ARCHITECT

HMC Architects
3546 Concourses Street
Ontario, CA 91764



By _____

Date SEP 04 2014

CONTRACTOR

Franklin Mechanical Systems
185 West 4th Street
Beaumont, CA 92223

By [Signature]

Date 9.18.14

Authorized:

OWNER

Riverside Unified School District
Post Office Box 2800
Riverside, CA 92516

By [Signature]

Date 10/28/14

ITEM CO-15.1:
(PCR-064R1/RFI-137)

Reference As Approved Drawings M-2.00 & M-3.00:

Relocate exhaust fans 2, 3 & 4 away from the roof cricket area to a flatter part of the roof.

Justification:

The relocation facilitated a better installation and will result in less maintenance in the future.

ADD \$1,166.00

ITEM CO-15.2:
(PCR-087/RFI-154)

Reference As Approved Drawings M-2.00 & M-2.01:

For the exhaust fan ducts that penetrate rated shafts in Classroom 205 and Data 206, provide fire dampers.

Justification:

Fire dampers were not shown in the contract documents.

ADD \$1,464.00

ITEM CO-15.3:

Reference Bid Category 15 – HVAC:

Utilize a portion of the Bid Category-15 \$25,000.00 Allowance to offset Change Order Items 15.1 & 15.2.

Justification:

Utilize a portion of the Bid Category-15 Allowance to offset the added scope costs.

ADD \$(2,630.00)

TOTAL CHANGE ORDER \$0.00

Distribution to:

OWNER	<input checked="" type="checkbox"/>	FIELD	<input checked="" type="checkbox"/>
ARCHITECT	<input checked="" type="checkbox"/>	IOR	<input checked="" type="checkbox"/>
CONTRACTOR	<input checked="" type="checkbox"/>	DSA	<input checked="" type="checkbox"/>

PROJECT: Riverside Unified School District
 Liberty Classroom Building Addition
 Riverside, CA 92503

CHANGE ORDER NO: 24-15-02

DATE: November 03, 2014

TO: Tilden-Coil, Inc.
 3612 Mission Inn Ave
 Riverside, CA 92501

HMC#: 3152145
DSA A#: 04-112203
DSA File #: 33-38

You are directed to make the following changes in this Contract:

Reference attached Item: 24.01 - 24.02

Not valid until signed by both the Owner and Architect.

Signature of the Contractor indicates his agreement herewith, including any adjustment in the Contract Sum or Contract Time.

The original Contract Sum	\$	337,200.00
Net change by previously authorized Change Orders	\$	0.00
The Contract Sum prior to this Change Order was	\$	337,200.00
The Contract Sum will be <i>decreased</i> by this Change Order.....	\$	(8,441.00)
The new Contract Sum including this Change Order will be	\$	328,759.00

The Contract Time will be changed by **[0]** Days.

The Date of Completion as of the date of this Change Order therefore is: **November 17, 2014.**

ARCHITECT

HMC Architects
 3546 Concourses Street
 Ontario, CA 91764

CONTRACTOR

Franklin Mechanical Systems
 185 West 4th Street
 Beaumont, CA 92223

Authorized:

OWNER

Riverside Unified School District
 Post Office Box 2800
 Riverside, CA 92516

By _____

Date _____

By _____

Date _____

By _____

Date _____

cc:

File N:\Projects\3152 Riverside USD\145_Liberty ES CR Add\12-CO\03. CO\CO 24-15-02.doc

ITEM CO-24.1:
(PCR-070)

Reference As Approved Drawing E1.10:

Cost to refeed portable #16. It includes trenching and installation 3-2" conduits for portables 15 & 16 that will be used for P/A system. Fire Alarm, Telecomm and Data. It includes rigid conduit up the side of the building and junction to enter portable building with new raceway.

Justification:

Unforeseen Condition

ADD \$13,929.00

ITEM CO-24.2:
(PDCR 101)

Reference Bid Category 15 – HVAC:

Utilize a portion of the Bid Category-15 \$25,000.00 Allowance to offset Change Order Item 24.1 & provide a credit to the Owner the remainder of the unused allowance.

Justification:

Utilize the remaining portion of the Bid Category-15 Allowance to offset the added scope costs and provide a credit of the unused funds back to the Owner.

ADD \$(22,370.00)

TOTAL CHANGE ORDER (\$8,441.00)

**Board Meeting Agenda
December 8, 2014**

Topic: Notice of Completion – Purchase Order C6003159 – Bid No. 2013/14-07 – Category 02 – Concrete – Liberty Elementary School Wing Addition

Presented by: Jane Jumnongsilp, Fiscal Services Manager
Procurement and Accounts Payable

Responsible

Cabinet Member: Michael H. Fine, Deputy Superintendent Business Services and Governmental Relations

Type of Item: Consent

Short Description: A Notice of Completion is recommended for Concrete – Liberty Elementary School Wing Addition.

DESCRIPTION OF AGENDA ITEM:

On December 9, 2013, the Board of Education approved Bid No. 2013/14-07 – Category 02 – Concrete – Liberty Elementary School Wing Addition. The bid was awarded to RC Construction Services, Inc. and Purchase Order No. C6003159 was issued in the amount of \$404,000.00. Included in the bid amount is a permissible allowance of \$25,000.00, due to unforeseen circumstances for this category. Two subsequent change orders were approved for \$15,455.00, bringing the total amount of the purchase order to \$419,455.00.

The scope of work for this project was to perform all Concrete at the Liberty Elementary School Wing Addition.

District staff, architect, and inspector of record have reviewed the project, deemed the project complete, and a Notice of Completion is now being requested.

Funding for this project is fifty percent (50%) from State Funds and fifty percent (50%) from Community Facilities District Funds.

FISCAL IMPACT: None

RECOMMENDATION: It is recommended that the Board of Education approve that a Notice of Completion be filed for RC Construction Services, Inc., – Purchase Order C6003159, for a total of \$419,455.00.

ADDITIONAL MATERIAL: Notice of Completion Request

Attached: Yes

NOTICE OF COMPLETION REQUEST

Date:	November 5, 2014
To:	Laurie O'Brien Riverside Unified School District
From:	Jeremy Moore, Project Manager
Project:	Liberty Elementary School Classroom Additions
Contractor:	Robert Clapper Construction Services
Address:	2223 N. Locust Avenue Rialto, CA 92377
Category # / Title	Bid Category No. 02 - Concrete
PO#:	RUSD PO # C-6003159
Original Contract Amount:	\$ 404,000.00
Total # of Change Orders:	(2) Two
Total \$ of Change Orders:	\$ 15,455.00
New Contract Amount:	\$ 419,455.00
Date of Completion:	October 25 th , 2014
Requested Board Meeting:	December 8th, 2014

The Contractor has completed their contractual obligation to the Riverside Unified School District. All Field Work has been performed, all Closeout Items have been submitted and all Change Orders have been approved.



11/05/2014

Signed:

Tilden-Coil Constructors, Inc. – Jeremy Moore, Project Manager

**Board Meeting Agenda
December 8, 2014**

Topic: Notice of Completion – Purchase Order C6003126 – Bid No. 2013/14-10 – Category 5 – Rough Carpentry – Liberty Elementary School Wing Addition

Presented by: Jane Jumnongsilp, Fiscal Services Manager
Procurement and Accounts Payable

Responsible

Cabinet Member: Michael H. Fine, Deputy Superintendent Business Services and Governmental Relations

Type of Item: Consent

Short Description: A Notice of Completion is recommended for Rough Carpentry – Liberty Elementary School Wing Addition.

DESCRIPTION OF AGENDA ITEM:

On December 9, 2013, the Board of Education approved Bid No. 2013/14-10 – Category 5 – Rough Carpentry – Liberty Elementary School Wing Addition. The bid was awarded to Fata Construction, Inc. and Purchase Order No. C6003126 was issued in the amount of \$542,000.00. Two subsequent change orders were approved for \$53,203.00, bringing the total amount of the purchase order to \$595,203.00.

The scope of work for this project was to perform all Rough Carpentry at the Liberty Elementary School Wing Addition.

District staff, architect, and inspector of record have reviewed the project, deemed the project complete, and a Notice of Completion is now being requested.

Funding for this project is fifty percent (50%) from State Funds and fifty percent (50%) from Community Facilities District Funds.

FISCAL IMPACT: None

RECOMMENDATION: It is recommended that the Board of Education approve that a Notice of Completion be filed Fata Construction, Inc., – Purchase Order C6003126, for a total of \$595,203.00.

ADDITIONAL MATERIAL: Notice of Completion Request

Attached: Yes

NOTICE OF COMPLETION REQUEST

Date:	November 5, 2014
To:	Laurie O'Brien Riverside Unified School District
From:	Jeremy Moore, Project Manager
Project:	Liberty Elementary School Classroom Additions
Contractor:	Fata Construction
Address:	20647 Brana Road Riverside, CA 92508
Category # / Title	Bid Category No. 05 – Rough Carpentry
PO#:	RUSD PO # C-6003126
Original Contract Amount:	\$ 542,000.00
Total # of Change Orders:	(2) Two
Total \$ of Change Orders:	\$ 53,203.00
New Contract Amount:	\$ 595,203.00
Date of Completion:	October 25 th , 2014
Requested Board Meeting:	December 8th, 2014

The Contractor has completed their contractual obligation to the Riverside Unified School District. All Field Work has been performed, all Closeout Items have been submitted and all Change Orders have been approved.



11/05/2014

Signed:

Tilden-Coil Constructors, Inc. – Jeremy Moore, Project Manager



Riverside Unified School District

3380 14th Street • Riverside, CA • 92501

Board Meeting Agenda December 8, 2014

Topic: Notice of Completion – Purchase Order C6003152 – Bid No. 2013/14-17 – Category 12 – Fire Sprinklers – Liberty Elementary School Wing Addition

Presented by: Jane Jumnongsilp, Fiscal Services Manager
Procurement and Accounts Payable

Responsible

Cabinet Member: Michael H. Fine, Deputy Superintendent Business Services and Governmental Relations

Type of Item: Consent

Short Description: A Notice of Completion is recommended for Fire Sprinklers – Liberty Elementary School Wing Addition.

DESCRIPTION OF AGENDA ITEM:

On December 9, 2013, the Board of Education approved Bid No. 2013/14-17 – Category 12 – Fire Sprinklers – Liberty Elementary School Wing Addition. The bid was awarded to J. G. Tate Fire Protection, Inc. and Purchase Order No. C6003152 was issued in the amount of \$67,800.00. One subsequent change order was approved for \$2,351.00, bringing the total amount of the purchase order to \$70,151.00.

The scope of work for this project was to perform all Fire Sprinklers at the Liberty Elementary School Wing Addition.

District staff, architect, and inspector of record have reviewed the project, deemed the project complete, and a Notice of Completion is now being requested.

Funding for this project is fifty percent (50%) from State Funds and fifty percent (50%) from Community Facilities District Funds.

FISCAL IMPACT: None

RECOMMENDATION: It is recommended that the Board of Education approve that a Notice of Completion be filed for J. G. Tate Fire Protection, Inc., – Purchase Order C6003152, for a total of \$70,151.00.

ADDITIONAL MATERIAL: Notice of Completion Request

Attached: Yes

NOTICE OF COMPLETION REQUEST

Date:	November 5, 2014
To:	Laurie O'Brien Riverside Unified School District
From:	Jeremy Moore, Project Manager
Project:	Liberty Elementary School Classroom Additions
Contractor:	J.G. Tate Fire Protection
Address:	13771 Danielson Street, Suite F Poway, CA 92064
Category # / Title	Bid Category No. 012 – Fire Protection Systems
PO#:	RUSD PO # C-6003152
Original Contract Amount:	\$ 67,800.00
Total # of Change Orders:	(1) One
Total \$ of Change Orders:	\$ 2,351.00
New Contract Amount:	\$ 70,151.00
Date of Completion:	October 25 th , 2014
Requested Board Meeting:	December 8th, 2014

The Contractor has completed their contractual obligation to the Riverside Unified School District. All Field Work has been performed, all Closeout Items have been submitted and all Change Orders have been approved.

Signed:



11/05/2014

Tilden-Coil Constructors, Inc. – Jeremy Moore, Project Manager



Riverside Unified School District

3380 14th Street • Riverside, CA • 92501

Board Meeting Agenda December 8, 2014

Topic: Notice of Completion – Purchase Order C6003133 – Bid No. 2013/14-18 – Category 13 – Miscellaneous Trades – Liberty Elementary School Wing Addition

Presented by: Jane Jumnongsilp, Fiscal Services Manager
Procurement and Accounts Payable

Responsible

Cabinet Member: Michael H. Fine, Deputy Superintendent Business Services and Governmental Relations

Type of Item: Consent

Short Description: A Notice of Completion is recommended for Miscellaneous Trades – Liberty Elementary School Wing Addition.

DESCRIPTION OF AGENDA ITEM:

On December 9, 2013, the Board of Education approved Bid No. 2013/14-18 – Category 13 – Miscellaneous Trades – Liberty Elementary School Wing Addition. The bid was awarded to Inland Building Construction Companies, Inc. and Purchase Order No. C6003133 was issued in the amount of \$352,800.00. Two subsequent change orders were approved for (\$2,878.00), bringing the total amount of the purchase order to \$349,922.00.

The scope of work for this project was to perform all Miscellaneous Trades at the Liberty Elementary School Wing Addition.

District staff, architect, and inspector of record have reviewed the project, deemed the project complete, and a Notice of Completion is now being requested.

Funding for this project is fifty percent (50%) from State Funds and fifty percent (50%) from Community Facilities District Funds.

FISCAL IMPACT: None

RECOMMENDATION: It is recommended that the Board of Education approve that a Notice of Completion be filed for Inland Building Construction Companies, Inc., – Purchase Order C6003133, for a total of \$349,922.00.

ADDITIONAL MATERIAL: Notice of Completion Request

Attached: Yes

NOTICE OF COMPLETION REQUEST

Date:	November 5, 2014
To:	Laurie O'Brien Riverside Unified School District
From:	Jeremy Moore, Project Manager
Project:	Liberty Elementary School Classroom Additions
Contractor:	Inland Building Construction Companies, Inc.
Address:	323 South Sierra Way San Bernardino, CA 92408
Category # / Title	Bid Category No. 013 – Miscellaneous
PO#:	RUSD PO # C-6003133
Original Contract Amount:	\$ 352,800.00
Total # of Change Orders:	(2) Two
Total \$ of Change Orders:	\$ (-2,878.75)
New Contract Amount:	\$ 349,921.25
Date of Completion:	October 25 th , 2014
Requested Board Meeting:	December 8th, 2014

The Contractor has completed their contractual obligation to the Riverside Unified School District. All Field Work has been performed, all Closeout Items have been submitted and all Change Orders have been approved.



11/05/2014

Signed:

Tilden-Coil Constructors, Inc. – Jeremy Moore, Project Manager

**Board Meeting Agenda
December 8, 2014**

Topic: Notice of Completion – Purchase Order C6003134 – Bid No. 2013/14-19 – Category 14 – Electrical – Liberty Elementary School Wing Addition

Presented by: Jane Jumnongsilp, Fiscal Services Manager
Procurement and Accounts Payable

Responsible

Cabinet Member: Michael H. Fine, Deputy Superintendent Business Services and Governmental Relations

Type of Item: Consent

Short Description: A Notice of Completion is recommended for Electrical – Liberty Elementary School Wing Addition.

DESCRIPTION OF AGENDA ITEM:

On December 9, 2013, the Board of Education approved Bid No. 2013/14-19 – Category 14 – Electrical – Liberty Elementary School Wing Addition. The bid was awarded to Southern California West Coast Electric, Inc. and Purchase Order No. C6003134 was issued in the amount of \$640,500.00. Included in the bid amount is a permissible allowance of \$50,000.00, due to unforeseen circumstances for this category. Four subsequent change orders were approved for \$30,692.00, bringing the total amount of the purchase order to \$671,462.00.

The scope of work for this project was to perform all Electrical at the Liberty Elementary School Wing Addition.

District staff, architect, and inspector of record have reviewed the project, deemed the project complete, and a Notice of Completion is now being requested.

Funding for this project is fifty percent (50%) from State Funds and fifty percent (50%) from Community Facilities District Funds.

FISCAL IMPACT: None

RECOMMENDATION: It is recommended that the Board of Education approve that a Notice of Completion be filed for Southern California West Coast Electrical, Inc., – Purchase Order C6003134, for a total of \$671,462.00.

ADDITIONAL MATERIAL: Notice of Completion Request

Attached: Yes

NOTICE OF COMPLETION REQUEST

Date:	November 5, 2014
To:	Laurie O'Brien Riverside Unified School District
From:	Jeremy Moore, Project Manager
Project:	Liberty Elementary School Classroom Additions
Contractor:	Southern California West Coast Electric
Address:	252 W. 4 th Street Beaumont, CA 92223
Category # / Title	Bid Category No. 014 – Electrical
PO#:	RUSD PO # C-6003134
Original Contract Amount:	\$ 640,500.00
Total # of Change Orders:	(4) Four
Total \$ of Change Orders:	\$30,962.00
New Contract Amount:	\$671,462.00
Date of Completion:	October 25 th , 2014
Requested Board Meeting:	December 8th, 2014

The Contractor has completed their contractual obligation to the Riverside Unified School District. All Field Work has been performed, all Closeout Items have been submitted and all Change Orders have been approved.

Signed:



11/05/2014

Tilden-Coil Constructors, Inc. – Jeremy Moore, Project Manager



Riverside Unified School District

3380 14th Street • Riverside, CA • 92501

Board Meeting Agenda December 8, 2014

Topic: Notice of Completion – Purchase Order C6003191 – Bid No. 2013/14-20 – Category 15 – Mechanical Systems – Liberty Elementary School Wing Addition

Presented by: Jane Jumnongsilp, Fiscal Services Manager
Procurement and Accounts Payable

Responsible

Cabinet Member: Michael H. Fine, Deputy Superintendent Business Services and Governmental Relations

Type of Item: Consent

Short Description: A Notice of Completion is recommended for Mechanical Systems – Liberty Elementary School Wing Addition.

DESCRIPTION OF AGENDA ITEM:

On February 18, 2014, the Board of Education approved Bid No. 2013/14-20 – Category 15 – Mechanical Systems – Liberty Elementary School Wing Addition. The bid was awarded to Franklin Mechanical, Inc. and Purchase Order No. C6003191 was issued in the amount of \$337,200.00. Included in the bid amount is a permissible allowance of \$25,000.00, due to unforeseen circumstances for this category. Two subsequent change orders were approved for \$16,559.00 as part of \$25,000.00 permissible allowance. The remaining balance of \$8,441.00 will be deducted from the contract, bringing the total amount of the purchase order to \$328,759.00.

The scope of work for this project was to perform all Mechanical Systems at the Liberty Elementary School Wing Addition.

District staff, architect, and inspector of record have reviewed the project, deemed the project complete, and a Notice of Completion is now being requested.

Funding for this project is fifty percent (50%) from State Funds and fifty percent (50%) from Community Facilities District Funds.

FISCAL IMPACT: None.

RECOMMENDATION: It is recommended that the Board of Education approve that a Notice of Completion be filed for Franklin Mechanical, Inc., – Purchase Order C6003191, for a total of \$328,759.00.

ADDITIONAL MATERIAL: Notice of Completion Request

Attached: Yes

NOTICE OF COMPLETION REQUEST

Date:	November 5, 2014
To:	Laurie O'Brien Riverside Unified School District
From:	Jeremy Moore, Project Manager
Project:	Liberty Elementary School Classroom Additions
Contractor:	Franklin Mechanical
Address:	185 W. 4 th Street Beaumont, CA 92223
Category # / Title	Bid Category No. 015 – Mechanical (HVAC)
PO#:	RUSD PO # C-6003191
Original Contract Amount:	\$ 337,200.00
Total # of Change Orders:	(2) Two
Total \$ of Change Orders:	(\$8,441.00)
New Contract Amount:	\$328,759.00
Date of Completion:	October 25 th , 2014
Requested Board Meeting:	December 8th, 2014

The Contractor has completed their contractual obligation to the Riverside Unified School District. All Field Work has been performed, all Closeout Items have been submitted and all Change Orders have been approved.



11/05/2014

Signed:

Tilden-Coil Constructors, Inc. – Jeremy Moore, Project Manager

**Board Meeting Agenda
December 8, 2014**

Topic: Notice of Completion – Purchase Order C6003157 – Bid No. 2013/14-24 – Category 19 – Landscape – Liberty Elementary School Wing Addition

Presented by: Jane Jumnongsilp, Fiscal Services Manager
Procurement and Accounts Payable

Responsible

Cabinet Member: Michael H. Fine, Deputy Superintendent Business Services and Governmental Relations

Type of Item: Consent

Short Description: A Notice of Completion is recommended for Landscape – Liberty Elementary School Wing Addition.

DESCRIPTION OF AGENDA ITEM:

On December 9, 2013, the Board of Education approved Bid No. 2013/14-24 – Category 19 – Landscape – Liberty Elementary School Wing Addition. The bid was awarded to Principles Contracting, Inc. and Purchase Order No. C6003157 was issued in the amount of \$115,000.00. Included in the bid amount is a permissible allowance of \$25,000.00, due to unforeseen circumstances for this category. One subsequent change order was approved for (\$10,000.00), bringing the total amount of the purchase order to \$105,000.00.

The scope of work for this project was to perform all Landscaping at the Liberty Elementary School Wing Addition.

District staff, architect, and inspector of record have reviewed the project, deemed the project complete, and a Notice of Completion is now being requested.

Funding for this project is fifty percent (50%) from State Funds and fifty percent (50%) from Community Facilities District Funds.

FISCAL IMPACT: None

RECOMMENDATION: It is recommended that the Board of Education approve that a Notice of Completion be filed for Principles Contracting, Inc., – Purchase Order C6003157, for a total of \$105,000.00.

ADDITIONAL MATERIAL: Notice of Completion Request

Attached: Yes



NOTICE OF COMPLETION REQUEST

Date:	November 5, 2014
To:	Laurie O'Brien Riverside Unified School District
From:	Jeremy Moore, Project Manager
Project:	Liberty Elementary School Classroom Additions
Contractor:	Principles Contracting
Address:	1760 Marlborough Avenue Riverside, CA 92507
Category # / Title	Bid Category No. 019 – Landscape
PO#:	RUSD PO # C-6003157
Original Contract Amount:	\$ 115,000.00
Total # of Change Orders:	One (1)
Total \$ of Change Orders:	(\$10,000.00)
New Contract Amount:	\$105,000.00
Date of Completion:	October 25 th , 2014
Requested Board Meeting:	December 8th, 2014

The Contractor has completed their contractual obligation to the Riverside Unified School District. All Field Work has been performed, all Closeout Items have been submitted and all Change Orders have been approved.

11/05/2014

Signed:

Tilden-Coil Constructors, Inc. – Jeremy Moore, Project Manager

3612 Mission Inn Avenue Riverside, CA 92501 951 684 5901 fax: 951 684 0725

Board Meeting Agenda
December 8, 2014

Topic: Out-of-State Field Trip – Riverside Polytechnic High School

Presented by: Antonio Garcia, Assistant Superintendent, Curriculum and Instruction K-12

Responsible
Cabinet Member: Antonio Garcia, Assistant Superintendent, Curriculum and Instruction K-12

Type of Item: Consent

Short Description: The Riverside Polytechnic High School Varsity Song Team is requesting to travel to Orlando, Florida, to participate in the National Dance Team Championships, January 30 – February 3, 2015.

DESCRIPTION OF AGENDA ITEM:

The Riverside Polytechnic High School Varsity Song Team is requesting to travel to Orlando, Florida, to participate in the National Dance Team Championships, January 30 - February 3, 2015. The trip will be funded by team sponsorships, fundraising activities, and parent donations. The John W. North High School assistant principal, Mr. Jim Vaughan, will attend the trip.

FISCAL IMPACT: None

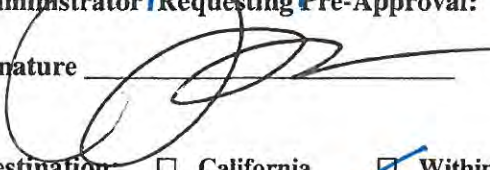
RECOMMENDATION: Approval is requested for the Riverside Polytechnic High School multiple-day field trip to Florida.

ADDITIONAL MATERIAL: Multiple-Day Field Trip Application, Pre-Approval Checklist and Itinerary

Attached: Yes

Riverside Unified School District
Instructional Services

MULTIPLE-DAY PRE APPROVAL CHECKLIST

School: Riverside Poly Hs Name of Group: Varsity Song
Field Trip: National Dance Team Championships Date of Event: 1/30/15 - 2/3/15
Teacher or Administrator Requesting Pre-Approval: Lupe Avila
Principal's Signature:  Date: 10/2/14

Destination: California Within the United States Out of the Country*

Following items must be attached for submission of Pre-Approval for Multiple-Day Field Trip Application

- ✓ ① * Brochure or registration forms
- ✓ ② * Itinerary
- ③ * Detailed funding plan that itemizes earnings and all expenditures, including sub costs
- ✓ ④ * A list of all eligible students attending
- ✓ ⑤ * Copy of notification to be used for parents/legal guardian explaining purpose of event, funding, transportation, housing, supervision, permission forms, and emergency plans (include emergency telephone number of trip supervisor)
- ✓ ⑥ * Safety and Supervision Plan listing of all personnel and their positions (administrators, teachers, counselors, parents, etc.) who are responsible for students during multiple-day field trip.
- ✓ ⑦ * Copy of Parent Consent form to be used for each participating student (#26-9050)
- N/A * List of names, addresses and telephone numbers of students' host families if students are housed in private homes

TYPE OF TRANSPORTATION: One of the following is required.

Want to transport to Air Force
 SCHOOL BUS CHARTER BUS RENTAL VEHICLE PRIVATE VEHICLE AIRLINE TRAIN

1. Charter / School Bus Transportation Manager Signature:  Date: 11-6-14

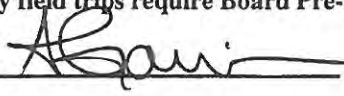
a. If the trip requires a bus, a "Request for Field Trip Transportation" must be submitted via TRIP TRACKER on-line to Pupil Transportation Services at least 30 days prior to the scheduled trip.

2. Rental or Privately Owned Vehicle

- a. In no instance may a vehicle be used that is capable of holding more than ten persons
- b. All drivers and all documents must be cleared through Transportation.
- c. Rental vehicles are booked through Purchasing.
- d. Employee's of RUSD must be cleared through Transportation for any rental vehicle. ONLY RUSD EMPLOYEE'S will be cleared for rental vehicles.

Signature certifies that all items have been submitted and are on file. Pre-approval is given for the submission of the Multiple-Day Field Trip Application.

*Out of Country field trips require Board Pre-approval and Final approval.

Superintendent / Designee Signature:  Date: 11/18/14

THIS FIELD TRIP IS **NOT APPROVED** UNLESS THIS PRE-APPROVAL IS SIGNED BY THE SUPERINTENDENT OR HIS DESIGNEE, IN ACCORDANCE WITH RIVERSIDE UNIFIED SCHOOL DISTRICT POLICIES AND PROCEDURES.



RIVERSIDE UNIFIED SCHOOL DISTRICT
Elementary and Secondary Education

MULTIPLE-DAY FIELD TRIP APPLICATION

Multiple-Day Field Trip Application must be submitted to the Director of Elementary or Secondary Education for approval **two months prior to departure** for in-state trips, and **four months prior to departure** for out-of-state and out-of-country trips. Out-of-country field trips require Board approval at least **four months prior to departure**. The Multiple-Day Final Checklist is due to the principal **2 weeks prior to departure**. Submit application to the Director of Elementary or Secondary Education for approval within time limits as noted.

School: Riverside Poly HS Grade Level: 9-12
 Teacher's Name: Lupe Avila Teaching (Subject): Pep Squad Phone #: x64074
 Field Trip Dates: 1/30/15 - 2/3/15 Location (City and State): Orlando, FL
 Number School Days Missed: 3 Number Students: 14 Number Adults: 10 Ratio Adult to Student: 1.4 To 1
 Name and Title of Adults: Lupe Avila (Teacher/Advisor), Ruben Avila (Campus Supervisor), Vanessa Dauty (ASB Director), Jim Vaughan (AD), ? to parent chaperones
 Administrator Accompanying Group Yes No Name(s): Jim Vaughan
 Name of Group (i.e. Choir, Drill Team, Swim Team, etc.): Varsity Song
 Name of Event (ATTACH INFORMATION DESCRIBING EVENT): National Dance Team Championships
 Link to course of study: _____

Estimated cost per student: \$850 Detailed Funding Plan: Attached

Transportation By: Bus -- Check one: _____ RUSD or _____ Charter
 Plane Southwest
 Private Vehicle (The vehicle MUST have one seat and a seat belt for each person in the car.)
 NOTE: CHECK THIS BOX TO VERIFY THAT ALL DRIVERS OF PRIVATE VEHICLES HAVE BEEN APPROVED BY RUSD'S TRANSPORTATION DEPARTMENT. Field trip will not be approved until private vehicle drivers have been approved.
 Other General Bus Shuttle D. Sky Hotel - planed to provide to Airport

Insurance for Host Organization (if applicable): _____
 Housing Accommodations: Disney World All-Star Resort

SIGNATURES:
Lupe Avila 10/30/15 _____ 10/31/14
 Teacher Date Principal Date
 _____ 11-6-14
 Director, Elementary - Secondary Education Date Transportation Manager Date
ASB 11/18/14 _____
 *Deputy - Assistant Superintendent, Instruction Date *Superintendent Date

*For out-of-state requests only
 **For out-of-country requests only
 **Date of Board Action

DEPARTMENT USE ONLY
 Approval pending clearance of Transportation and signed Multiple Day Final Checklist
 Not approved because _____

A Multiple-Day Checklist, signed by the site principal, is required to be filed with the Elementary or Secondary Education department 1 week prior to departure.

2

Riverside Poly Varsity Song
National Dance Team Championships
Walt Disney World, Orlando FL ↻ January 30 – February 3, 2015

ITINERARY

January 30, 2015

- Team members arrive at Ontario International Airport at 5:15 a.m. (Parents are responsible for transportation to/from Ontario Airport)
- Depart Ontario Airport at 6:45 am PST, Southwest Flight #2161 to Phoenix
- Arrive in Phoenix at 8:15 am PST and change planes. Board Southwest Flight #871 to Orlando, departing Phoenix at 9:50 am
- Arrive in Orlando, FL at 4:20 pm EST
- Take the Disney's Magical Express Shuttle to the All-Star Resort on the Walt Disney World Property by 6:30 pm EST
- Check in at the resort and attend the Magic Kingdom Welcome Party from 8:00 EST until 11:00 EST
- Return to the All-Star for the night

** Please note, all transportation to/from events held at WDW is provided free of charge by WDW.

January 31, 2015

- 7:00 am EST – 4:00 pm EST: Begin Preliminary, Semi-Final, and Final Rounds of Competition at Disney's Hollywood Studios, Josten's Center, and HP Field House at the ESPN Wide World of Sports Complex
- 8:30 pm EST: Team Dinner at Planet Hollywood (Downtown Disney)
- 10:30 pm EST: All Team Members return to the All-Star for the night

February 1, 2015

- 7:00 am EST – 4:00 pm EST: Continue Preliminary, Semi-Final, and Final Rounds of Competition at Disney's Hollywood Studios, Josten's Center, and HP Field House at the ESPN Wide World of Sports Complex
- 8:00 am – 10:00 pm: Theme Park Visitations (if not competing)
- 8:00 pm – 10:00 pm EST: Championship Celebration Party at Disney's Hollywood Studios
- 10:00 pm – 12:00 am EST: "Magic Hours" at Disney's Magic Kingdom
- 12:30 am EST: All Team Members return to the All-Star for the Night

February 2, 2015

- 8:00 am EST – 6:00 pm EST: Theme Park Visitations
- 6:30 pm EST: Team Dinner at Rainforest Café at Disney's Animal Kingdom

February 3, 2015

- 9:00 am EST: Team is packed and ready to check out. Breakfast at the All Star Resort.
- 10:00 am EST: Team prepare to board the Disney Magical Express Shuttle to return to Orlando International Airport
- 10:50 am EST: Team arrive at Orlando Airport
- 12:45 pm EST: Team departs Orlando on Southwest Airlines Flight #576
- 7:55 pm PST: Team arrives in Ontario

Board Meeting Agenda
December 8, 2014

Topic: Out-of-State Field Trip – John W. North High School

Presented by: Antonio Garcia, Assistant Superintendent, Curriculum and Instruction K-12

Responsible
Cabinet Member: Antonio Garcia, Assistant Superintendent, Curriculum and Instruction K-12

Type of Item: Consent

Short Description: The John W. North High School Law and Protective Services Academy is requesting to travel to Washington, D.C., to tour the White House, United States Capital and the United States Supreme Court Buildings and other historic sites February 12 - February 18, 2015.

DESCRIPTION OF AGENDA ITEM:

The John W. North High School Law and Protective Services Academy is requesting to travel to the Washington, D.C., to tour the White House, United States Capital and the United States Supreme Court Buildings and other historic sites, February 12 - February 18, 2015. The trip will be funded by community sponsorships, fundraising activities, and parent donations. John W. North High School principal, Dr. Lynne Sheffield, will attend the trip.

FISCAL IMPACT: None

RECOMMENDATION: Approval is requested for the John W. North High School multiple-day field trip to Washington, D.C.

ADDITIONAL MATERIAL: Multiple-Day Field Trip Application, Pre-Approval Checklist and Itinerary

Attached: Yes

Riverside Unified School District
Instructional Services

MULTIPLE-DAY PRE APPROVAL CHECKLIST

School: John W. North High Name of Group: Law & Protective Services Academy
 Field Trip: Washington D.C. Date of Event: Feb 12 - Feb 18
 Teacher or Administrator Requesting Pre-Approval: Carolina Tamayo
 Principal's Signature: [Signature] Date: 11/7/14

Destination: California Within the United States Out of the Country*

Following items must be attached for submission of Pre-Approval for Multiple-Day Field Trip Application

- ① * Brochure or registration forms NA
- ✓ ② * Itinerary
- ✓ ③ * Detailed funding plan that itemizes earnings and all expenditures, including sub costs
- ✓ ④ * A list of all eligible students attending
- ✓ ⑤ * Copy of notification to be used for parents/legal guardian explaining purpose of event, funding, transportation, housing, supervision, permission forms, and emergency plans (include emergency telephone number of trip supervisor)
- ✓ ⑥ * Safety and Supervision Plan listing of all personnel and their positions (administrators, teachers, counselors, parents, etc.) who are responsible for students during multiple-day field trip.
- ✓ ⑦ * Copy of Parent Consent form to be used for each participating student (#26-9050)
- * List of names, addresses and telephone numbers of students' host families if students are housed in private homes

TYPE OF TRANSPORTATION: One of the following is required.

SCHOOL BUS CHARTER BUS RENTAL VEHICLE PRIVATE VEHICLE AIRLINE TRAIN (metro)

1. Charter / School Bus Transportation Manager Signature: _____ Date: _____

a. If the trip requires a bus, a "Request for Field Trip Transportation" must be submitted via TRIP TRACKER on-line to Pupil Transportation Services **at least 30 days prior** to the scheduled trip.

2. Rental or Privately Owned Vehicle

- a. In no instance may a vehicle be used that is capable of holding more than ten persons
- b. All drivers and all documents must be cleared through Transportation.
- c. Rental vehicles are booked through Purchasing

Signature certifies that all items have been submitted and are on file. Pre-approval is given for the submission of the Multiple-Day Field Trip Application.

*Out of Country field trips require Board Pre-approval and Final approval.

Superintendent / Designee Signature: [Signature] Date: 11/19/14

THIS FIELD TRIP IS **NOT APPROVED** UNLESS THIS PRE-APPROVAL IS SIGNED BY THE SUPERINTENDENT OR HIS DESIGNEE, IN ACCORDANCE WITH RIVERSIDE UNIFIED SCHOOL DISTRICT POLICIES AND PROCEDURES.



RIVERSIDE UNIFIED SCHOOL DISTRICT
Elementary and Secondary Education

MULTIPLE-DAY FIELD TRIP APPLICATION

Multiple-Day Field Trip Application must be submitted to the Director of Elementary or Secondary Education for approval **two months prior to departure** for in-state trips, and **four months prior to departure** for out-of-state and out-of-country trips. Out-of-country field trips require Board approval at least **four months prior to departure**. The Multiple-Day Final Checklist is due to the principal 2 weeks prior to departure. Submit application to the Director of Elementary or Secondary Education for approval within time limits as noted.

School: 460 North High Grade Level: 12th grade
 Teacher's Name: TAMAYO Teaching (Subject): Govt / Legal / Enforcement Phone #: Ext. 63094
 Field Trip Dates: Feb 13 - 18 Location (City and State): Washington D.C.
 Number School Days Missed: 3 Number Students: 25 Number Adults: 6 Ratio Adult to Student: 4 To 1
 Name and Title of Adults: C. Tamayo, academy coordinator; K. Haverkamp, Supervisor RPD; R. Dams, Assistant Principal; L. Sheffield, Principal; B. Roberts, teacher
 Administrator Accompanying Group Yes No Name(s): R. Dams
 Name of Group (i.e. Choir, Drill Team, Swim Team, etc.): Law & Protective Services Academy
 Name of Event (ATTACH INFORMATION DESCRIBING EVENT): Tour of DC.
 Link to course of study: Curriculum & Careers Development

Estimated cost per student: \$675.- Detailed Funding Plan: Purchasing & Donations

Transportation By: Bus -- Check one: RUSD or Charter
 Plane
 Private Vehicle (The vehicle MUST have one seat and a seat belt for each person in the car.)
 NOTE: CHECK THIS BOX TO VERIFY THAT ALL DRIVERS OF PRIVATE VEHICLES HAVE BEEN APPROVED BY RUSD'S TRANSPORTATION DEPARTMENT. **Field trip will not be approved until private vehicle drivers have been approved.**
 Other _____

Insurance for Host Organization (if applicable): _____

Housing Accommodations: Hampton Inn, Crystal City

SIGNATURES:
 Teacher: [Signature] Date: 11-6-14
 Principal: [Signature] Date: 11/7/14

Director, Elementary - Secondary Education Date: _____
[Signature] 11/19/14
 *Deputy - Assistant Superintendent, Instruction Date: _____
 Transportation Manager Date: _____
 *Superintendent Date: _____

*For out-of-state requests only
 **For out-of-country requests only
 **Date of Board Action _____

DEPARTMENT USE ONLY
 Approval pending clearance of Transportation and signed Multiple Day Final Checklist
 Not approved because _____

A Multiple-Day Checklist, signed by the site principal, is required to be filed with the Elementary or Secondary Education department 1 week prior to departure.

Washington DC Study Tour 2014 - Travel Agenda
TAMAYO CELL: 951-961-4776 Haverkamp CELL: 951-901-0536

(2)
Itinerary

Thursday: February 12th
Travel Day

Dress Code: Comfortable travel layering clothes (No pajamas!) PT shirts - tennis shoes- Eat breakfast before coming and bring sack lunch

Meet at front of school at 7:00 am
Inspect, tag and load luggage on school bus
Leave school 7:30 am

Arrive at Ontario Airport 8am
Check luggage and go through security
Depart Ontario Airport:
Southwest Airlines Flight 4295/589
Change planes in Dallas –Eat dinner in Dallas
Arrive at Regan Int Airport at 10:30 pm
Collect Luggage
Load shuttle to hotel at 11pm

Arrive at Hotel at 11:15 pm.
Room check assignments/check in
Hampton Inn & Suites
2600 Jefferson Davis Highway; Arlington VA 22202

Friday: February 13th

Dress Code: Black Slacks/ LAPS POLO/Tennis shoes/Coat

Breakfast
Supreme Court Tour
Lunch
Smithsonian
Washington Monument
Dinner
Back to Hotel/ Debrief

Saturday February 14th:

Dress Code: RPD Shirt/ Jeans/Tennis Shoes

Breakfast
Tour of Mt. Vernon
Lunch
Tour of Arlington Cemetery
Visit Lincoln Memorial
Back to Hotel
Dinner
Debrief and prepare for Sunday

Sunday February 15th

Breakfast
US Holocaust memorial museum
Lunch
Thomas Jefferson Memorial
Washington Mall
Dinner
Debrief and prepare for White house

Monday February 16th

Dress Code: LAPS White Dress shirt/ Black Slacks/ Black Shoes

Breakfast
White house tour
Lunch
Tour of congress
Dinner
Back to Hotel/ Debrief & prepare for next day

Tuesday February 17th

Dress Code: LAPS Black Sr Shirt/Jeans/Tennis

Breakfast
Vietnam Memorial
Other memorials/ Smithsonian
Lunch at Bread for Life: workshop about legislative lobbying
Spy Museum
Dinner
Back to Hotel
Debrief and Pack

WEDNESDAY February 18th

Dress Code: Comfortable traveling clothes (No Pajamas)

Breakfast
Shuttle to Airport

Board Meeting Agenda
December 8, 2014

Topic: Out-of-Country Field Trip – John W. North High School

Presented by: Antonio Garcia, Assistant Superintendent, Curriculum and Instruction K-12

Responsible Cabinet Member: Antonio Garcia, Assistant Superintendent, Curriculum and Instruction K-12

Type of Item: Consent

Short Description: The John W. North High School Boys’ Varsity Basketball Team along with student leaders and Chinese language students are requesting pre-approval to travel to Jiangmen, China, to learn about Chinese culture and history along with competing in an All Star Team basketball game March 29- April 9, 2015.

DESCRIPTION OF AGENDA ITEM:

The John W. North High School Boys’ Varsity Basketball Team along with student leaders and Chinese language students are requesting pre-approval to travel to Jiangmen, China, to learn about Chinese culture and history, along with competing in an All Star Team basketball game March 29- April 9, 2015. The trip will be funded by student scholarships, fundraising activities, and parent donations. John W. North High School principal, Dr. Lynne Sheffield, will attend the trip.

FISCAL IMPACT: None

RECOMMENDATION: Pre-approval is requested for the John W. North High School multiple-day field trip to Jiangmen, China.

ADDITIONAL MATERIAL: Multiple-Day Field Trip Application, Pre-Approval Checklist and Itinerary

Attached: Yes

Riverside Unified School District
Instructional Services

MULTIPLE-DAY PRE APPROVAL CHECKLIST

School: JW North Name of Group: Boys Basketball Team
Field Trip: J. Shogren, China Date of Event: March 29 April 9, 2015
Teacher or Administrator Requesting Pre-Approval: Lynne Sheffield Becky Porter
Principal's Signature: [Signature] Date: 11/18/14

Destination: California Within the United States Out of the Country*

Following items must be attached for submission of Pre-Approval for Multiple-Day Field Trip Application

- ✓ ① * Brochure or registration forms
- ✓ ② * Itinerary
- ③ * Detailed funding plan that itemizes earnings and all expenditures, including sub costs
- ✓ ④ * A list of all eligible students attending
- ✓ ⑤ * Copy of notification to be used for parents/legal guardian explaining purpose of event, funding, transportation, housing, supervision, permission forms, and emergency plans (include emergency telephone number of trip supervisor)
- ✓ ⑥ * Safety and Supervision Plan listing of all personnel and their positions (administrators, teachers, counselors, parents, etc.) who are responsible for students during multiple-day field trip.
- ✓ ⑦ * Copy of Parent Consent form to be used for each participating student (#26-9050)
- ⑧ * List of names, addresses and telephone numbers of students' host families if students are housed in private homes

TYPE OF TRANSPORTATION: One of the following is required.

SCHOOL BUS CHARTER BUS RENTAL VEHICLE PRIVATE VEHICLE AIRLINE TRAIN

1. Charter / School Bus Transportation Manager Signature: _____ Date: _____

- a. If the trip requires a bus, a "Request for Field Trip Transportation" must be submitted via TRIP TRACKER on-line to Pupil Transportation Services at least 30 days prior to the scheduled trip.

2. Rental or Privately Owned Vehicle

- a. In no instance may a vehicle be used that is capable of holding more than ten persons
- b. All drivers and all documents must be cleared through Transportation.
- c. Rental vehicles are booked through Purchasing

Signature certifies that all items have been submitted and are on file. Pre-approval is given for the submission of the Multiple-Day Field Trip Application.

*Out of Country field trips require Board Pre-approval and Final approval.

Superintendent / Designee Signature: [Signature] Date: 11/18/14

THIS FIELD TRIP IS **NOT APPROVED** UNLESS THIS PRE-APPROVAL IS SIGNED BY THE SUPERINTENDENT OR HIS DESIGNEE, IN ACCORDANCE WITH RIVERSIDE UNIFIED SCHOOL DISTRICT POLICIES AND PROCEDURES.



RIVERSIDE UNIFIED SCHOOL DISTRICT
Elementary and Secondary Education

MULTIPLE-DAY FIELD TRIP APPLICATION

Multiple-Day Field Trip Application must be submitted to the Director of Elementary or Secondary Education for approval **two months prior to departure** for in-state trips, and **four months prior to departure** for out-of-state and out-of-country trips. Out-of-country field trips require Board approval at least **four months prior to departure**. The Multiple-Day Final Checklist is due to the principal **2 weeks prior to departure**. Submit application to the Director of Elementary or Secondary Education for approval within time limits as noted.

School: JW North HS Grade Level: 10-12
Teacher's Name: Lynne Sheffield/Mike Barber Teaching (Subject): Basketball Phone #: 951-788 7311
Field Trip Dates: March 29 - April 9, 2015 Location (City and State): Jiangmen, China
Number School Days Missed: 4 Number Students: 21 Number Adults: 8 Ratio Adult to Student: 1 To 3
Name and Title of Adults: Lynne Sheffield, Principals; Mike Barber, Coach; Preston Anderson, Coach; Roland Pezzey, Coach; Becky Porter, Act Director
Administrator Accompanying Group Yes No Name(s): Lynne Sheffield, Julie Zhou, Teacher
Name of Group (i.e. Choir, Drill Team, Swim Team, etc.): Boys Basketball Team + Student Leaders
Name of Event (ATTACH INFORMATION DESCRIBING EVENT): Jiangmen Visit
Link to course of study: Cultural exchange

Estimated cost per student: \$2740 Detailed Funding Plan: See attached

Transportation By: Bus -- Check one: RUSD or Charter
 Plane
 Private Vehicle (The vehicle MUST have one seat and a seat belt for each person in the car.)
 NOTE: CHECK THIS BOX TO VERIFY THAT ALL DRIVERS OF PRIVATE VEHICLES HAVE BEEN APPROVED BY RUSD'S TRANSPORTATION DEPARTMENT. Field trip will not be approved until private vehicle drivers have been approved.
 Other Ferry

Insurance for Host Organization (if applicable): _____

Housing Accommodations: Home-stays, Hotel

SIGNATURES:
Teacher: [Signature] Date: 11-13-14 Principal: [Signature] Date: _____

Director, Elementary - Secondary Education Date _____ Transportation Manager Date _____

*Deputy - Assistant Superintendent, Instruction Date _____ *Superintendent Date _____

*For out-of-state requests only
**For out-of-country requests only
**Date of Board Action _____

DEPARTMENT USE ONLY

- Approval pending clearance of Transportation and signed Multiple Day Final Checklist
- Not approved because _____

A Multiple-Day Checklist, signed by the site principal, is required to be filed with the Elementary or Secondary Education department 1 week prior to departure.

2

J.W. North Boys Basketball
Visit to Jiangmen, China
March 29, 2015 – April 9, 2015

Proposed Itinerary

Day	Date	
Sunday	3/29/15	Leave North HS @ 8:00 p.m. by school bus to LAX
Monday	3/30/15	Depart LAX to Beijing @ approx. 1:00 a.m.
Tuesday	3/31/15	Arrive Beijing <ul style="list-style-type: none">• Depart to Guangzhou by air• Jiangmen #1 HS bus from airport to school• Welcome & students introduced to home-stays
Wednesday	4/1/15	Home-stays, visit classrooms
Thursday	4/2/15	Home-stays, family activities, basketball game
Friday	4/3/15	Home-stays, visit classrooms, basketball game
Saturday	4/4/15	Home-stays, family activities, Farewell Party
Sunday	4/5/15	<ul style="list-style-type: none">• Ferry to Hong Kong• Hotel Stay• Tour Hong Kong
Monday	4/6/15	<ul style="list-style-type: none">• School bus to Ghaungzhou• Flight to Beijing• Hotel
Tuesday	4/7/14	Tour Beijing, hotel stay
Wednesday	4/8/14	Tour Beijing, hotel stay
Thursday	4/9/14	Tour Beijing, flight home Arrive LAX @ approx.. 8:00 p.m.

**Board Meeting Agenda
December 8, 2014**

Topic: Approval of Head Start Progress Reports for September and October 2014

Presented by: Gloria Cowder, Director, Program Development and Extended Learning
Joseph Nieto, Coordinator, Early Childhood and Family Education

Responsible

Cabinet Member: Antonio Garcia, Assistant Superintendent, Curriculum and Instruction K-12

Type of Item: Consent

Short Description: Required monthly update regarding Head Start activities and budget.

DESCRIPTION OF AGENDA ITEM:

Head Start programs are required to provide the governing body with monthly financial summaries, program information summaries, program enrollment reports and reports of meals provided through U.S. Department of Agriculture (USDA) programs as per Federal Regulations 642(d)(2)(A-I). The Head Start Progress Report must be approved by the Board of Education.

FISCAL IMPACT: None

RECOMMENDATION: It is recommended that the Board of Education approve the Head Start Progress Reports for September 2014 and October 2014.

ADDITIONAL MATERIALS: Head Start Progress Report – September 2014
Head Start Progress Report – October 2014

Attached: Yes

Head Start Progress Report - SEPTEMBER 2014
Policy Committee and Board of Education
Riverside Unified School District

Head Start Enrollment

Funded	176	Actual	176	100%
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Head Start Program Information Summaries

RUSD Enrollment Totals	%	HS Performance Indicators	RUSD	HS
Foster Children	3%	Disabilities	6%	10%
Over Income	4%	Immunizations	97%	95%
Below 100% Pov Line	65%	Health Screenings	95%	95%
Public Assistance	30%	Daily Attendance	94%	85%

Head Start Site Parent Committee Meetings

Site	Topic	Attendance
Fremont	Volunteer Training/Election of Reps	14
Jackson	Volunteer Training/Election of Reps	19
Jefferson	Volunteer Training/Election of Reps	18
Highgrove	Volunteer Training/Election of Reps	20
Longfellow	Volunteer Training/Election of Reps	14
Madison	Volunteer Training/Election of Reps	26

Program Activity Summaries

Children with IEPs	Referrals Pending	Parent Conferences	Wellness Referrals	Home Visits
11	13	0	5	170

September Absences

Site	AM	PM
Fremont	16	
Highgrove	21	18
Jefferson	18	12
Longfellow	17	15
Madison	9	13
Jackson	17	21

Staff Development

Date	Training Content
10/6/14	Redirecting Behavior

Head Start USDA Meals (September 2014)

Type	Ordered/Served	USDA Reimbursement	Program Charges
Breakfast	1,496/1,319	\$2,084	
Lunch	2,992/2,815	\$8,248	
Total		\$10,332	\$177

Snacks are provided to HS/PM classes only (5).

Head Start In-Kind Report

Non Federal	August 2014	YTD	Balance
\$279,707	\$28,430.83	\$28,430.83	\$251,276.17

September 2014 Budget Update

Category	Approved Budget	Monthly Expenses	YTD Expenses	Balance
Personnel	\$712,313	\$64,044.74	\$64,044.74	\$612,348.26
Benefits	\$304,997	\$24,633.39	\$24,633.39	\$226,370.61
Supplies	\$49,356	\$2,092.90	\$2,092.90	\$136,163.10
Contracts	\$5,320	\$0.00	\$5,320	\$5,320
Other	\$6,396	\$69.22	\$69.22	\$6,326.78
T&TA	\$5,592	\$800	\$900	\$4,692
Indirect	\$40,647	\$0.00	\$40,647	\$40,647
Total	\$1,118,826	\$91,650.25	\$91,650.25	\$1,027,175.75

14% Administrative Cost

Head Start Progress Report - OCTOBER 2014
Policy Committee and Board of Education
Riverside Unified School District

Head Start Enrollment

Funded	176	Actual	176	100%
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Head Start Program Information Report (PIR) Summaries

RUSD Enrollment Totals	%	HS Performance Indicators	RUSD	HS
Foster Children	3%	Disabilities	7%	10%
Over Income	4%	Immunizations	97%	95%
Below 100% Pov Line	65%	Health Screenings	95%	95%
Public Assistance	30%	Daily Attendance	92%	85%

Head Start Site Parent Committee Meetings

Site	Topic	Attendance
Fremont	Postponed until December 2014	Ø
Jackson	Postponed until December 2014	Ø
Jefferson	Child Development	11
Highgrove	Nutrition	2
Longfellow	Teaching Responsibility to Children	6
Madison	School Readiness	21

Program Activity Summaries

Children with IEPs	Referrals Pending	Parent Conferences	Wellness Referrals	Home Visits
12	8	0	14	176

October Absences

Site	AM	PM
Fremont	36	
Highgrove	28	36
Jefferson	12	28
Longfellow	25	20
Madison	13	27
Jackson	36	14

Staff Development

Date	Training Content
10/6/14	Redirecting Behavior

Head Start USDA Meals (October 2014)

Type	Ordered/Served	USDA Reimbursement	Program Charges
Breakfast	1,824/1,549	\$2,447.42	
Lunch	3,344/3,069	\$8,992.17	
Total		\$11,439.59	\$275

Snacks are provided to HS/PM classes only (5).

Head Start In-Kind Report

Non Federal	October 2014	YTD	Balance
\$279,707	\$32,953.86	\$61,384.69	\$218,322.31

October 2014 Budget Update

Category	Approved Budget	Monthly Expenses	YTD Expenses	Balance
Personnel	\$712,313	\$63,494.80	\$127,539.54	\$584,773.46
Benefits	\$304,997	\$24,522.22	\$49,155.61	\$255,841.39
Supplies	\$49,356	\$3,073.80	\$5,976.70	\$43,379.30
Contracts	\$5,320	\$0.00	\$5,320	\$5,320
Other	\$6,396	\$833.86	\$903.08	\$5,492.92
T&TA	\$5,592	\$0	\$900	\$4,692
Indirect	\$40,444	\$0.00	\$40,444	\$40,444
Total	\$1,118,826	\$91,924.68	\$183,574.93	\$935,251.07

13% Administrative Cost

**Board Meeting Agenda
December 8, 2014**

Topic: Facilities Expansion Plan for Riverside STEM Academy for the 2015-2016 School Year

Presented by: Hayley Calhoun, Director, Planning and Development

Responsible

Cabinet Member: Kirk R. Lewis, Ed.D, Assistant Superintendent, Operations

Type of Item: Consent

Short Description: Approval is requested for the expansion of facilities for the Riverside STEM Academy to include 11th grade for the 2015-2016 school year and for implementing a Feasibility Study/Conceptual Design process to determine and address the long term permanent facility needs.

DESCRIPTION OF AGENDA ITEM:

On March 7, 2011, the Board of Education approved the establishment of the STEM Academy to serve fifth through eighth grade students. Since that time, the Riverside STEM Academy has expanded to serve ninth and tenth grade students and is now located at the former Hyatt Elementary School site. The Riverside STEM Academy will continue expansion by adding the 11th grade in the 2015-2016 school year and 12th grade in the 2016-2017 school year. A short term solution, primarily adding portable classrooms, is planned for each of the expansion years. A long-term, permanent solution needs to be determined through a Feasibility Study/Conceptual Design process.

FISCAL IMPACT: \$1,364,000 CFD Funds.

RECOMMENDATION: It is recommended that the Board of Education approve the budget needed for the expansion of facilities for 2015-2016 (\$1,064,000) and for the Feasibility Study/Conceptual Design (\$300,000) for a permanent long term facility for the Riverside STEM Academy.

ADDITIONAL MATERIAL: None.

**Board Meeting Agenda
December 8, 2014**

- Topic: Approval of a Tentative Agreement Between Riverside Unified School District and Its Employees Represented by the Riverside City Teachers Association
- Presented by: Susan Mills, Assistant Superintendent, Department of Personnel-Leadership and Development
- Responsible Cabinet Member: Susan Mills, Assistant Superintendent, Department of Personnel-Leadership and Development
- Type of Item: Consent
- Short Description: It is recommended that the Board of Education approve the 2013-2016 Agreement for Certificated Bargaining Unit, Riverside Unified School District and Riverside City Teachers Association for employees represented by the Riverside City Teachers Association.

DESCRIPTION OF AGENDA ITEM:

The District has reached an agreement with one of its collective bargaining units, the Riverside City Teachers Association (RCTA) representing certificated employees. The agreement is documented as the 2013-2016 Agreement for Certificated Bargaining Unit, Riverside Unified School District and Riverside City Teachers Association (Agreement). The Agreement is the result of the collective bargaining process that began in September 2013.

The agreement involves format changes and minor wording corrections for clarification purposes only and has no fiscal impact.

This agenda item is intended to meet the public disclosure requirements of Assembly Bill 1200 (1991/1213) and Assembly Bill 2756 (2004/52). More specifically, AB 2756 amended Government Code Section 3547.5 to provide in part that, “before a public school employer enters into a written agreement with an exclusive representative covering matters within the scope of representation, the major provisions of the agreement, including, but not limited to, the costs that would be incurred by the public school employer under the agreement for the current and subsequent fiscal years, shall be disclosed at a public meeting of the public school employer.”

FISCAL IMPACT: The corrections to the 2013-2016 Agreement for Certificated Bargaining Unit, Riverside Unified School District and Riverside City Teachers Association Agreement are for clarification purposes only and have no fiscal impact.

RECOMMENDATION: It is recommended that the Board of Education approve the 2013-2016 Agreement for Certificated Bargaining Unit Riverside Unified School District and Riverside City Teachers Association for employees represented by the Riverside City Teachers Association.

ADDITIONAL MATERIAL: 1) 2013-2016 Agreement for Certificated Bargaining Unit, Riverside Unified School District and Riverside City Teachers Association Agreement (red-lined version)

Attached: Yes

~~2010-2013-2016~~

AGREEMENT

FOR

CERTIFICATED BARGAINING
UNIT



AND
RIVERSIDE CITY TEACHERS ASSOCIATION
CTA/NEA

~~2010-2013-2016~~
AGREEMENT FOR
CERTIFICATED BARGAINING UNIT

RIVERSIDE UNIFIED SCHOOL DISTRICT
AND
RIVERSIDE CITY TEACHERS ASSOCIATION

Published by the
RIVERSIDE UNIFIED SCHOOL DISTRICT
3380 Fourteenth Street
Riverside, California 92501

(951) 788-7135

Board of Education

Mrs. ~~Gayle Cloud~~ ~~Patricia Lock-Dawson~~ President
~~Dr. Charles Beaty~~ ~~Mr. Tom Hunt~~ Vice
President

Mrs. Kathy Allavie Clerk
Mr. ~~Tom Hunt~~ Brent Lee Member
Mrs. ~~Patricia Lock-Dawson~~ Gayle Cloud Member

AGREEMENT

THIS AGREEMENT made and entered into this ~~fifteenth~~fourteenth day of ~~October 2012~~April 2014, by and between the Riverside Unified School District (hereinafter called the “District”) and the Riverside City Teachers Association (hereinafter called the “Association”).

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on this ~~fifteenth~~fourteenth day of ~~October 2012~~April 2014.

RIVERSIDE UNIFIED SCHOOL
DISTRICT

RIVERSIDE CITY TEACHERS
ASSOCIATION

Gayle Cloud

Patricia Lock-Dawson, President
Board of Education

Tim Martin, President

Richard L. Miller, Ph.D.

Sheri Scott, CTA/NEA Staff

Michael H. Fine,
District Interim Superintendent

Mariana Robles,
Bargaining Co-Chair

Michael H. Fine, Deputy Superintendent
Business Services & Governmental Relations

Sheri Obr,
Bargaining Co-Chair

Susan Mills, Assistant Superintendent
Dept. of Personnel

THE RIVERSIDE CITY TEACHERS ASSOCIATION,
CTA/NEA
CTA/NEA
and
RIVERSIDE UNIFIED SCHOOL DISTRICT
2010- 2013 - 2016

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APPENDICES

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ARTICLE I -- RECOGNITION

Section 1 -- Association--

The District recognizes the Association as the sole and exclusive representative for all certificated employees (hereinafter called "employees") employed by the District, excluding management, confidential, and supervisory employees as designated by the Board of Education in accordance with Chapter 10.7, Sections 3540--3549 of the California Government Code and in accordance with the certification issued by the Educational Employment ~~Relations~~ Relations Board on November 17, 1976, in Case No. LA--R--62, pursuant to an EERB-- conducted secret ballot election, which describes this unit as set forth below:

All full--time and regular part--time certificated employees of the ~~Riverside Unified School~~ District, EXCLUDING management, confidential, supervisory employees, substitutes, short--term employees who work hourly or daily as needed for periods less than one (1) semester, and part--time employees who work no more than twenty percent (20%) of the regular day or year.

Section 2 -- Board of Education--

The Association recognizes the Board of Education as the duly elected trustees of the ~~Riverside Unified School~~ District and agrees to negotiate exclusively with the representatives selected by the Board of Education.

ARTICLE II -- NOTICE

Section 1. -- Mail Address

Whenever provision is made in this Agreement for the giving, service, or delivery of any notice, statement, or other instrument, the same shall be deemed to have been duly given, served, or delivered either upon personal delivery or by mailing the same by United States registered or certified mail, return receipt requested, to the Party entitled ~~thereto~~ at the address set forth below.

A. A. -- DISTRICT: ASSISTANT SUPERINTENDENT, ~~HUMAN RESOURCES DEPT~~
OF PERSONNEL
RIVERSIDE UNIFIED SCHOOL DISTRICT
3380 Fourteenth Street, ~~P. O. Box 2800~~
Riverside, California ~~92516~~92501

B. B. -- ASSOCIATION: PRESIDENT
RIVERSIDE CITY TEACHERS ASSOCIATION CTA/NEA
3556 Central Avenue
Riverside, California 92506

Section 2. -- Change of Address

Either party may change the address to which notice shall be given by a notice sent in accordance with the provisions of this Article.

ARTICLE III – DISTRICT RIGHTS

Section 1 – District Powers, Rights and Authority. ~~It is understood and agreed that, except~~ Except as limited by the terms of this ~~agreement~~Agreement, the District retains all of its powers and authority to direct, manage, and control to the extent allowed by the law. Included in, but not limited to, those duties and powers are the right to: Determine its organization; direct the work of its employees; determine the times and hours of operation; determine the kinds and levels of services to be provided and the methods and means of providing them; establish its educational policies, goals, and objectives; ~~insure~~ensure the rights and educational opportunities of students; determine staffing patterns; determine the number and kinds of personnel required; maintain the efficiency of District operations; determine District curriculum; design, build, move, or modify facilities; establish budget procedures and determine budgetary allocations; determine the methods of raising revenue; contract out work when present employees are not ~~available~~available to perform such work; and take any action on any matter in the event of an emergency as provided in Section 3 ~~therein.~~. In addition, the District retains the right to hire, classify, assign, evaluate, promote, demote, terminate, and discipline employees. This recital in no way limits other District powers as granted by law.

Section 2 – Limitation

—The exercise of the foregoing powers, rights, authority, duties, and responsibilities by the District, the adoption of policies, rules, regulations, and practices ~~in furtherance thereof~~, and the use of judgment and discretion ~~in connection therewith~~, shall be limited only by the specific and express terms of this Agreement, and then only to the extent such specific and express terms are in conformance with law.

Section 3 – Emergencies

—The District retains its right to suspend this Agreement in cases of emergency for the reasonable period of time required by the emergency. Emergencies shall include, but not be limited to, national, state, or county declared emergencies and natural disasters. Emergencies shall not be declared capriciously, arbitrarily, or in retaliation for the exercise of employee rights.

|

ARTICLE IV ~~—~~ ASSOCIATION RIGHTS

Section 1 ~~—~~ Facilities~~—~~

The Association shall have the right to use District facilities at reasonable times, provided that requests for use of facilities other than classrooms be submitted on the regular District form provided for such use.

Section 2 ~~—~~ Communication~~—~~

~~A.~~ ~~A.~~—The Association shall have exclusive use of bulletin boards, approximately four (4) feet by four (4) feet, in locations convenient to all employees.

~~B.~~ ~~B.~~—To the extent permitted by law, the Association shall have the right to use the District's mail service and employee mailboxes for the dissemination of information concerning Association business, provided that, given any general distribution, a courtesy copy to the Assistant Superintendent, ~~Human Resources~~Dept. of Personnel, will be included with such distribution. All postings for bulletin boards or items for school mailboxes must contain the identification of the Association, and, if appropriate, the date of removal.

~~C.~~ ~~C.~~—If permitted by law, the Association office shall be included as a stop on the regular District mail delivery service. The Association shall pay the District \$300 annually for this service.

Section 3 ~~—~~ Right of Access~~—~~

Authorized representatives of the Association shall be permitted to transact official Association business on school property at reasonable times.

Section 4 ~~—~~ Release Time~~—~~

A. President ~~—~~ The ~~RCTA~~Association President shall be released from his~~-or-~~/her regular duties to the District for the full term of this Agreement.

B. The ~~RCTA~~Association President shall be contracted for a two hundred and ten (210) day work year over a twelve~~-~~ (12) month period. By July 1 of each school year, the President shall provide to the Superintendent or his/her designee a tentative work calendar for that school year. The President shall, within ten (10) days of the end of each month during the year, submit a calendar showing the days worked during that month.

- C. The ~~president~~President shall be paid in the usual manner as if he ~~or~~/she were a regular employee of the District and shall suffer no reduction in salary, step, fringe, or other benefits. If the President is absent from his ~~or~~/her regular duties for no more than four (4) years, the ~~president~~President shall also be guaranteed the right to return to the site and position occupied before taking office if said position would have still been available in the normal course of events.
- D. The Association President shall be compensated at his/her daily rate of pay ~~as set forth in Appendix A1-B of the Bargaining Unit Agreement,~~ for all additional days worked beyond the regular work year of one hundred eighty-five (185) days. The Association President will receive full State Teachers' Retirement System (STRS) service credit for all contracted ~~workdays~~work days to the extent permitted by law and the STRS.
- E. The Association shall reimburse the District at the basic daily substitute rate of pay for the release of the Association President for the regular work year of one hundred eighty-five (185) days. The Association shall fully reimburse the District for all salary, retirement and payroll related cost for the release of the Association President for all contracted ~~workdays~~work days beyond the regular work year. The method of payment for these costs shall be semi-annually.

~~Section 5 -- Association Leave.--~~

The District shall provide, upon two (2) days advance notification, up to seventy-five (75) days total release time for its representatives per year. When such Association ~~leave~~Leave requires hiring a substitute, the Association shall pay the cost of such substitute.

~~Section 6 -- Reasonable Time.--~~

For the purpose of this ~~article~~Article "reasonable time" shall be defined to mean no interfering with or interrupting the instructional program.

~~Section 7 -- Bargaining Unit Information.--~~

The District shall provide the Association, on or before November 1 of each year, a list of employees, their home addresses, designated ~~worksites,~~work sites and salary classifications. The District also shall provide the Association, within a week following each meeting of the Board of Education, a copy of the routine personnel actions that affect employees covered by this ~~agreement~~Agreement.

Section 8 – Association Meeting Days.–

~~RCTA Building Association Site~~ Representatives and Executive Board of Directors' members shall be excused to leave their sites no later than 3:30 to attend regularly scheduled Association meetings. Meeting dates shall be established by July 1, shall not exceed two (2) per month for twelve (12) months, and shall be furnished to the District. The Association shall also provide to the District a current listing of persons eligible to attend these meetings. On the listed dates, the District will excuse all Association representatives and ~~bargaining unit member~~employees scheduled to attend the above meetings.

ARTICLE V -- ASSOCIATION CONSULTATION

Section 1. -- Consultation

The District acknowledges the right of the Association to consult at the District level on the definition of educational objectives, the determination of the content of courses and curriculum, and the selection of textbooks to the extent that such matters are within the discretion of the District under the law. Following an Association-issued demand to consult, the parties will agree, within ten (10) days, on a date for the meeting, to consult on issues arising out of new legislation regulations or ~~district~~District-initiated changes.

Section 2. -- Uniform Complaint Procedure

Should either of the parties to the Agreement desire to change the ~~Citizen's~~Uniform Complaint Procedure, it is agreed and understood that consultation between the parties shall occur before any changes are made.

ARTICLE VI ~~—~~ ASSOCIATION SECURITY

Section 1 ~~—~~ Requirements~~—~~

The District will deduct from the pay of Association members and pay to the Association the normal and regular monthly membership dues as voluntarily authorized in writing by the employee on the appropriate District form subject to the following conditions:

~~A.~~ A.—Such deduction shall be made only upon submission of the District form to the designated representative of the District duly completed and executed by the employee.

~~B.~~ B.—The District shall not be obligated to put into effect any new, changed, or discontinued deduction until the pay period following the pay period in which the request for dues deduction was made.

Section 2 - Fair Share~~—~~

Every ~~unit member~~employee shall become a member of the Association or pay to the Association a service fee. The service fee shall be established by the Association.

~~A.~~ A.—Payment of Service Fee. The service fee shall be payable to the Association in a one-lump, cash payment or the ~~unit member~~employee may authorize payroll deduction for such fee as provided in Section 1 of this ~~article.~~Article. In the event that ~~a unit member~~an employee does not pay such fee directly to the Association, or authorize payment through payroll deduction as provided herein, the Association shall notify the District, and the District shall immediately begin automatic payroll deduction of said fee from the ~~unit member's~~employee's paycheck as authorized in Education Code Section 45061 and in the same manner as set forth in Section 1 of this Article.

Section 3 - Religious Objectors~~—~~

If ~~a unit member~~an employee cannot pay the service fee because of legitimate religious objections, he/she shall, pursuant to the provisions of Government Code Section 3546.3, be required to pay the sum equal to the service fee to any one of the District high school's scholarship foundations, Riverside Educational Enrichment Foundation, District PTA fund, or any non-profit, non-religious affiliated charity. Such payment shall be made within thirty (30) days of the effective date of this Agreement, or within thirty (30) days from the date of commencement of assigned duties within the bargaining unit. Proof of payment shall be made on an annual basis to the Association and District as a condition of continued exemption from

| the provisions of Sections 1 and 2

above. Proof of payment shall be in the form of receipts and/or canceled checks indicating the amount paid, date of payment, and to whom payment, in lieu of the service fee, has been made. Such proof shall be presented within thirty (30) days of the ~~unit member's~~employee's work year.

Section 4 - Remitting Dues and Service Fee.---

With respect to all sums deducted by the District pursuant to Sections 1 and 2 above, whether for membership dues or service fees, the District agrees to promptly remit such monies to the Association accompanied by an alphabetical list of ~~unit member~~employees for whom such deductions have been made.

Section 5 - Information.---

The Association shall furnish any information needed by the District to fulfill the provisions of this Article.

Section 6 -- Indemnification.---

The Association agrees to hold harmless and indemnify the District from liability arising out of any monies paid by the District to the Association pursuant to this Article as follows:

The Association agrees to pay to the District all reasonable legal fees and costs incurred by the District in defending against any court action and/or administrative action before the Public Employment Relations Board challenging the legality and/or constitutionality of the provisions of this Agreement or their implementation, and to pay any final judgment or settlement arising from such action.

The Association shall have the right to determine whether any such action or proceeding shall or shall not be compromised, resisted, defended, tried or appealed. However, under no circumstances shall the District be required to assume primary responsibility for defending against any such action.

Within ten (10) days of proper service of a claim, demand, suit, or other legal action against any protected party, the District shall inform the Association and provide the Association with copies of any documents received as a result of the legal action. Upon request, the District shall provide the Association's legal counsel with documents and information reasonably related to providing defense.

ARTICLE VII – NON-DISCRIMINATION

Section 1 – Non-discrimination–

The District shall not discriminate against any employee on the basis of race, color, ancestry, religious creed, national origin, sex, physical or mental disabilities, medical condition, sexual orientation, marital status, age–or, membership or participation in Association activities, or any other category recognized by California state laws.

Section 2 – Remedy–

Violations of this Article shall not be subject to the grievance procedures of this Agreement except where no other administrative remedy exists.

ARTICLE VIII ~~W~~ WAGES

Section 1 ~~Salary Schedules~~

The salary schedules for employees are found in Appendix A of the Agreement and include the following:

- ~~A-1~~ Teacher Salary Schedule
- ~~2~~ ~~A 1B~~ Teacher Salary Schedule (reflected as per diem rates)
- ~~A 2~~ ~~Salary Placement Policies for Teachers Salary Schedule~~
- ~~A 3~~ ~~Anniversary Increment~~
- ~~A 4~~ ~~Psychologist Schedule~~
- ~~A 4B~~ ~~Psychologist 208 Day Work Year Schedule~~
- ~~3~~ ~~A 5~~ Extended Day Salary Schedule
- ~~A 6~~ ~~Miscellaneous~~~~4A~~ ~~Psychologist Salary Provisions~~
- ~~A 7~~ ~~Coaching Pay Schedule (193 Days)~~ ~~4B~~ ~~Psychologist Salary Schedule (208 Days)~~
- ~~A 8~~ ~~Extra Duty Pay Schedule~~
- ~~A 9~~ ~~Summer School~~~~5~~ ~~Speech and Language Pathologist Salary Schedule~~ ~~Five (5) Days~~~~6A~~ ~~Nurse Salary Schedule (185 Day)~~
- ~~A 9B~~ ~~Summer School~~~~6B~~ ~~Nurse Salary Schedule~~ ~~Four (4) Days~~~~(190 Day)~~ ~~6C~~ ~~Nurse Salary Schedule (200 Days)~~
- ~~7~~ ~~A 9C~~ ~~YRE Intersession~~~~Counselor Salary Schedule~~
- ~~8~~ ~~Staff Development Specialist Salary Schedule~~
- ~~9~~ ~~A 10~~ ~~Miscellaneous Salary Provisions Salary Schedule~~
- ~~10~~ ~~Coaching Stipends Salary Schedule~~
- ~~11~~ ~~Extra Duty Annual Stipends Salary Schedule~~
- ~~12~~ ~~Secondary Summer School Salary Schedule~~
- ~~13~~ ~~ROTC Salary Schedule~~
- ~~A 11~~~~14A~~ ~~Adult, & Alternative & Continuing Educational Services Salary Schedule (Probationary and Tenured~~~~Permanent~~ Teachers)
- ~~14~~ ~~A 11B~~ ~~B~~ ~~Adult, & Alternative & Continuing Educational Services Salary Schedule (Substitutes and~~

Temporary Teachers)

~~———— A 11C Adult, Alternative & Continuing Educational Services Fringe Benefits
15 ———— A 12 — Preschool Instructor Salary Schedule~~

Section 2 — Salary Placement Policies for Teacher Salary Schedule

The Teacher Salary Schedule is used for teachers and librarians.

CLASSIFICATION A:

- a) Employees who hold the Bachelor's Degree, appropriate credentials, and who have earned less than forty-five (45) semester hours of approved credit since completion of the work for that degree. Course work must bear a grade of "C" or better to be considered.

CLASSIFICATION B:

- a) Employees who hold the Master's Degree and appropriate credentials.
- b) Employees who hold the Bachelor's Degree, appropriate credentials, and have earned less than sixty (60) approved semester units since completion of work for that degree. Course work must bear a grade of "C" or better to be considered.

CLASSIFICATION C:

- a) Employees who hold the Master's Degree from a college or university, appropriate credentials, and have earned fifteen (15) approved semester units since completion of that degree. Course work must bear a grade of "C" or better to be considered.
- b) Employees who have earned less than seventy-five (75) semester units since completion of the Bachelor's Degree. Course work must bear a grade of "C" or better to be considered.

CLASSIFICATION D:

- a) Employees who hold the Master's Degree from a college or university or have been granted the District Master's Equivalency, appropriate credentials, and who have earned thirty (30) or more approved semester units since the completion of that degree. Course work must bear a grade of "C" or better to be considered.
- b) Employees who have earned seventy five (75) approved semester units since completion of the Bachelor's Degree and also hold a Master's Degree from a college or university, or have been granted the District Master's Equivalency and have earned seventy five (75) approved semester units since completion of the Bachelor's Degree.

DOCTORATE

An additional \$750 will be added to the annual contract rate for those employees who hold earned doctorate degrees (Ph.D., Ed.D.) from a college or university accredited by the Western Association of Schools and Colleges or an equivalent accrediting association.

SALARY COMPUTATION

The District adopts the school calendar that determines the number of days an employee is required to be in attendance. Computation of the daily rate, in accordance with Education Code §45041, will be the basis for payroll deductions or for a work period less than the normal full year.

PLACEMENT ON SCHEDULE

At date of hire, each employee is required to submit to the Department of Personnel Office a complete set of transcripts to support placement on the salary schedule. Such placement will not be effective until these transcripts have been accepted and approved. Paychecks will be subject to withholding by the District if transcripts are not received within thirty (30) days of employment.

Employees hired for the full second semester shall receive a contract for not less than 50% of their annual rate of pay as determined by proper step and column placement. Employees hired at any time during the school year other than the semester break will have their salary computed on a work day basis.

CREDIT FOR PREVIOUS TEACHING EXPERIENCE

New employees who have been employed in positions requiring certification in other school districts prior to employment in Riverside Unified are entitled to one (1) step on the salary schedule for every full year of such outside experience. The maximum allowance is five (5) steps for five (5) or more years of such prior experience. Employees whose initial work year commences on or after July 1, 1986, and hold an appropriate California credential shall be given full credit for previous experience. A full year of credit will be given for a partial year of employment if it involves a full semester or more. Two (2) part time years would not count for more than one (1) year of credit.

Initial Step Placement for Nurses: Effective July 1, 2002, School Nurses shall be granted up to fourteen (14) years salary schedule credit as follows: One (1) year of credit for at least 75% of a full year of previous full-time experience within the last sixteen (16) years as a School Nurse, a public health nurse or as a licensed Registered Nurse in a hospital/clinic. In no case, however, will previous experience be credited unless the School Nurse held a bachelor's degree in nursing, and if said experience was rendered in a setting comparable to a school district as determined by the District.

Initial Step Placement for Speech Language Pathologists: Effective July 1, 2002, Speech Language Pathologists shall be granted up to fourteen (14) years salary schedule credit as follows: One (1) year of credit for at least 75% of a full year of previous full time experience within the last sixteen (16) years as a Speech Language Pathologist in a public school district, or as a licensed Speech Therapist/Pathologist in a hospital/clinic. In no case, however, will previous experience be credited unless the Speech Language Pathologist held a Bachelor's degree or higher in Speech, and if said experience was rendered in a setting comparable to a school district as determined by the District.

Service is recognized if it is determined by the District to be equivalent to public school service experience in private schools, parochial schools or Peace Corps.

Only as stated subsequently will credit be given for military service:

1. Teaching experience done while in the service may be counted if it is considered by the District to be equivalent to full time public school teaching.
2. When an employee of the District is called into the military service, he/she shall be guaranteed a position upon returning, and the District shall recognize the years in the military service as additional years of teaching experience.

RE-EMPLOYMENT OF PERMANENT EMPLOYEES

When any employee, who at the time of termination was classified as permanent, is re-employed after an absence of more than thirty nine (39) months, the governing board shall classify such employee as probationary with only the rights and privileges to which this classification is entitled. Maximum salary placement for such employees will be the same as that for new employees.

When any employee, who at the time of termination was classified as permanent, is re employed within thirty nine (39) months, the governing board shall classify such employee as permanent with all the rights, benefits and responsibilities of a permanent employee. Salary placement will be one (1) step beyond that which such employee had at the time of termination if beyond the maximum step allowable for new employees and within the current salary schedule.

PROCEDURES FOR SALARY RECLASSIFICATION

For Traditional Year Employees:

Employees planning to meet the requirements for a higher classification on the salary schedule effective with their September payroll should submit the form, "Request for Reclassification," to the Department of Personnel Office not later than June 30. Transcripts or verification of courses in progress, must be submitted to the Department of Personnel Office by August 30. Reclassification on the basis of courses in progress will be granted with the understanding that if transcripts of completed work are not furnished by October 15, the employee will revert to the appropriate classification and an adjustment will be made in the employee's salary.

A second opportunity for higher classification shall be instituted. Ten-month employees planning to meet the requirements for a higher classification on the salary schedule effective with their February payroll should submit the form "Request for Reclassification," to the Department of Personnel Office not later than November 30. Transcripts or verification of courses in progress must be submitted to the Department of Personnel Office by January 30. Reclassification on the basis of courses in progress will be granted with the understanding that if transcripts of completed work are not furnished by March 15, the employee will revert to the appropriate classification and an adjustment will be made in the employee's salary.

Effective July 1, 2008, employees may only advance one salary column per school year.

For Continuous School Program Employees: (This program is suspended.)

Employees planning to meet the requirements for a higher classification on the salary schedule effective with their July payroll should submit the form, "Request for Reclassification," to the Department of Personnel Office not later than April 30. Transcripts or verification of courses in progress must be submitted to the Department of Personnel Office by June 30. Reclassification on the basis of courses in progress will be granted with the understanding that if transcripts of completed work are not furnished by August 15, the employee will revert to the appropriate classification and an adjustment will be made in the employee's salary.

Effective July 1, 2002, a second opportunity for higher classification shall be instituted. Twelve-month employees planning to meet the requirements for a higher classification on the salary schedule effective with their January 30 payroll should submit the form, "Request for Reclassification," to the Department of Personnel Office not later than October 30. Transcripts or verification of courses in progress, must be submitted to the Department of Personnel Office by December 30. Reclassification on the basis of courses in progress will be granted with the understanding that if transcripts of completed work are not furnished by February 15, the employee will revert to the appropriate classification and an adjustment will be made in the employee's salary.

For All Employees:

All course work must be approved by the District before it can be counted toward salary reclassification. The criteria for such approval shall be that the course completed must be taken at a college accredited by the Western Association of Schools and Colleges or an equivalent accrediting association; that the grade earned by the employee is no lower than "C"; and that the course content is such that the course is part of the employee's progress toward an advanced degree or acceptable as part of the employee's progress toward a specified California credential, or toward the employee's improvement of teaching methods, or evidences further study by the employee of a subject commonly taught in District.

New employees must submit a complete set of transcripts to the Department of Personnel Office within thirty (30) days of employment. Any work taken beyond the Bachelor's Degree at time of employment must receive the approval of the District in order to meet the requirements for initial placement and consideration for future salary reclassifications. This set of transcripts must remain in the employee's file.

INCREMENT

An employee completing service of a minimum of a semester under contract shall receive a step increment on the salary schedule if re-employed the following year.

Section 3 – Anniversary Increment

A. Definition

The Anniversary Increment is recognition of employees who, in positions requiring certification, have given satisfactory service to the District and community for many years.

Service is interpreted as regular contract employment in a position requiring certification of not less than 60% of full-time; summer service is not applicable. District-granted medical or military leave shall be counted in the years of service.

B. Requirement

Service as an employee in the District in accordance with the definition above.

C. Stipend

1. At the beginning of the school year following the completion of nineteen (19) years of service in the District, an employee's contract shall include a 2.5% stipend.
2. At the beginning of the school year following the completion of twenty-three (23) years of service in the District, an employee's contract shall include a 5% stipend.
3. At the beginning of the school year following the completion of twenty-seven (27) years of service in the District, an employee's contract shall include a 7.5% stipend.

An employee who works 75% of any school year shall be given service credit for one (1) full year.

Section 4 - Mileage Reimbursement—

Employees specifically authorized by the District to use their personal cars in fulfilling a specified work assignment shall be reimbursed at the maximum IRS rate per mile ~~which that~~ can be reimbursed without tax liability. ~~It is understood and agreed that employee~~ Employee travel between home and work sites is exempt from this provision. ~~It is further understood and agreed that this~~ This reimbursement shall be payment in full for all car operating, maintenance, repair, and insurance costs resulting from such use.

Section 3-5 - Payroll Deductions—

In addition to those deductions required by law, the District, without charge, shall provide employees with payroll deductions for:

- A. —A— Association dues

| B. Insurance plans offered by the District or mutually agreed to by the parties

C. Credit ~~Union~~unions

~~D. ——— D. ———~~ Employee contributions to one or more tax-sheltered annuities

~~E. ——— E. United Way Fund and other charitable~~Charitable organizations mutually agreed to in writing by the District and the Association-

Section 46 – Teachers of English Learners (K-12)-1

~~A. ——— A. ——— Bargaining unit members~~Employees who possess any one of the following bilingual credentials and/or certificates: Multiple Subject with Bilingual/Bicultural Emphasis, Bilingual Certificate of Competence (BCC), Bilingual Cross-Cultural Credential, or Bilingual Specialist Credential/BCLAD shall be compensated by adding a three percent (3%) stipend (Appendix A811) to their base salary if they meet the following criteria:

~~1. ——— 1. ———~~ Elementary teachers who are assigned to a designated primary language bilingual classroom.

~~2. ——— Secondary teachers who are assigned to teach designated native language classes, for example, Newcomer Program (pro-rated per assigned section)-~~

~~2. ——— 3. ———~~ Designated bilingual resource teachers and bilingual special education teachers.

~~4. ——— Counselors whose program assignment includes the Newcomer Program (pro-rated per portion of workday assigned)-~~

~~3. ——— 5. ———~~ Psychologists and LSH Specialists whose assignment responsibility includes assessment of students in their primary language.

ARTICLE IX – EMPLOYEE BENEFITS

Section 1 – Health Benefits Committee

A. The Association and District agree to meet on an as-needed basis, and at least once a quarter, to discuss health benefit ~~plan(s)-plans.~~

1. Composition: The Health and Welfare Benefits Committee (HWBC) will be comprised of four (4) ~~RCTA~~Association representatives, four (4) CSEA representatives, four (4) Professional Relations representatives, and three (3) non-voting District advisors. Any group may invite outside consultants to the meetings with permission from the Committee.
2. Decision Making: The HWBC will participate in the research and recommend actions to contain costs on an ongoing basis for health and welfare related issues. The HWBC shall be responsible for making recommendations regarding health and welfare insurance carriers, levels of coverage, plan design, setting premium rates, cost containment and other health insurance related issues. Consensus shall be used in all committee deliberations. The HWBC will make decisions about health and welfare issues that have no financial implications. Any recommendations from the HWBC shall be submitted to the bargaining table.

~~B.A.~~ The District shall provide the ~~Committee~~HWBC with complete health benefits data in a timely manner as requested or when received from vendors, which includes, but is not limited to:

- 1) Utilization (HIPPA compliant format)
- 2) Claims Experience (HIPPA compliant format)
- 3) Enrollment
- 4) Claims Data Reports
- 5) Financial data related to health premiums
- 6) Reports and updates from the carriers

Section 2 – District-Paid Insurance Plans

A. The District shall offer the following medical plan options with coverage from January ~~01, 2012~~1, 2014 through December 31, ~~2012~~2014.

- ~~1.~~ 1. Kaiser Health Maintenance Organization (HMO) ~~--~~ (Vision with Frames and Lenses)
- ~~2.~~ 2. RUSD Health Plan Preferred Provider Option (PPO)
- ~~3.~~ 3. RUSD Health Plan Exclusive Provider Option (EPO)

Effective January 1, ~~2012~~2014 (the ~~2012~~2014 plan year and following), the District contribution toward the medical insurance plan shall be \$~~9,500~~10,000 per subscriber annually. Such contribution shall be applicable to any District sponsored medical plan that the subscriber chooses. Part-time employees will receive a pro-rated share of the District contribution.

~~B. Effective January 1, 2012~~The District shall offer dental benefit plan options, including an orthodontia benefit, with coverage from January 1, 2014 through December 31, 2012, on a one-time basis, 2014.

~~Effective January 1, 2014 (the 2014 plan year and following), the District will contribute an additional \$250~~make contributions toward ~~any the dental insurance plan for each subscriber annually.~~ Such contribution shall be applicable to any District - sponsored ~~medical~~dental plan that the subscriber chooses. Part-time employees will receive a pro-rated share of the District contribution. ~~Effective January 1, 2013, the District contribution toward the medical insurance plan shall return to a cap of \$9,500 annually.~~

~~Effective the first day of the month following adoption of a 2012-13 State Budget, and on a one-time basis, the District will contribute an additional contribution equivalent to \$250 toward any applicable District-sponsored medical plan that the subscriber chooses. Such additional contribution shall be paid equally over the remaining months of the 2012 Plan Year. Part-time employees will receive a pro-rated share of the District contribution. Such additional contribution shall only be applicable if the adopted 2012-13 State Budget provides for "flat funding" or more of the District's base revenue limit for fiscal year 2012-13 over the base revenue limit in the adopted 2011-12 State Budget. Effective January 1, 2013, the District contribution toward the medical insurance plan shall return to a cap of \$9,500 annually.~~

~~B. The District shall offer the following dental benefit plan options from January 01, 2012 through December 31, 2012.~~

~~1. Delta Dental~~

~~Voluntary orthodontia benefit (Metlife option) with a co-payment annually established by Metlife. Bargaining unit members voluntarily opting for this orthodontia benefit shall assume full costs through payroll deduction.~~

~~2. Metlife (includes orthodontia)~~

~~3. Preferred Advantage Dental (includes orthodontia)~~

~~Effective January 1, 2012, the District shall annually contribute \$954.90 for each full time subscriber for Delta Dental; \$373.00 for Metlife; and \$838.00 for Preferred Advantage Dental. Part time employees will receive a pro-rated share of the District contribution.~~

C. The District shall pay the cost of ~~ten thousand dollars (\$10,000)~~\$12,500 worth of group term life insurance coverage for each benefits-eligible employee.

Section 3 – Other Insurance Plans

Other insurance plans shall be made available for employees to purchase through payroll deduction.

Section 4 – Part-time Employees

Those employees working less than a full-time assignment shall be considered part-time, and the District shall pay for them a proportionate cost of the medical and dental insurance. The proportion of the cost paid by the District shall be the same as the part-time employee's assignment is to that of a full-time assignment. For example, should the aggregate cost of District-paid medical and dental insurance total \$2,000 for an employee on a full-time assignment, the District would credit an employee with a half-time assignment with \$1,000 and withhold the other \$1,000 from the employee's salary by payroll deduction ~~through~~throughout the year, unless the employee chose to waive medical insurance. However, all employees working seventy-five percent (75%) or more of full-time shall be regarded as full-time employees for the purposes of this provision.

Section 5 – Health and Welfare Insurance Waivers

Except when an employee and spouse are both full-time employees of the District, full-time employees may waive medical insurance by showing proof of coverage through a different source and signing a waiver form. Full-time employees who waive medical insurance coverage

shall be provided with a yearly stipend of five hundred dollars (\$500) in lieu of medical insurance coverage. Full-time employees who waive dental insurance coverage shall be provided with a yearly stipend of one hundred and fifty dollars (\$150) in lieu of dental insurance coverage. ~~These waiver stipends shall be contributed to one or more of the following options: 1) to offset payroll deductions for District-sponsored benefits and other insurance plans available through the District, or 2) District-approved tax sheltered annuity plans.~~ Stipends will be applied to earnings. Part-time employees who waive medical or dental insurance shall receive a pro-rated share of the applicable stipend. All employees must either select or waive medical insurance and sign a form on which their choice is indicated.

Section 6 – Employee Spouses

- A. When an employee and spouse (including registered domestic partner) are both employees of the District and both are working full-time assignments, the District shall provide only one (1) medical plan per family. The two (2) employees shall decide which shall carry the medical plan. The District shall provide both employees the choice of a dental plan.
- B. The spouse who chooses not to carry the medical plan shall be provided with a yearly stipend of seven hundred and fifty dollars (\$750) in lieu of medical insurance coverage. If either or both employees waive dental insurance coverage, they shall be provided with a yearly stipend of one hundred and fifty dollars (\$150) in lieu of dental insurance coverage. ~~These waiver stipends shall be contributed to one or more of the following options: 1) other insurance plans available through the District, or 2) District-approved tax sheltered annuity plans. These waiver stipends may be used by both spouses to offset payroll deductions for District-sponsored benefits. The order of applying the waiver stipend shall be first to the waiving employee and then to the spouse employee.~~ Stipends will be applied to earnings.

Section 7 – IRS Section 125 Plan

~~Unit members~~ Employees may choose to cover child or dependent care expenses and/or unreimbursed medical expenses that are eligible for inclusion under the provision of Internal Revenue Code Section 125.

Section 8 – Medical Insurance for Retirees

A. A. For eligible employees who retire into the State Teachers' or Public Employee Retirement Systems, the District shall pay the cost of employee-only coverage of ~~district~~ District-funded medical insurance. This payment shall continue until the first of

the month in which the retiree reaches sixty-five (65) years of age. Dental insurance may be continued at the retiree's cost.

B. ~~B.~~ Eligibility

Effective July 1, 2010, to be eligible for this benefit, the employee must meet the following criteria:

1. ~~1.~~—Must be at least fifty-seven (57) years of age, and must have worked full-time in the ~~Riverside Unified School~~ District for fifteen (15) of the last nineteen (19) years. For ~~bargaining unit member~~employees who retire before reaching the age of fifty-seven (57), the District shall pay the cost of employee-only coverage of ~~district~~District-funded medical insurance for a period not to exceed eight (8) years; providing the ~~bargaining unit member~~employee has worked full-time in the ~~Riverside Unified School~~ District for fifteen (15) of the last nineteen (19) years.

2. ~~2.~~—Must have applied and be eligible for retirement payments from one of the above referenced retirement systems.

3. ~~3.~~—Must be younger than sixty-five (65) years of age at the time of retirement.

C. ~~C.~~—Requirement

1. ~~1.~~—To receive this benefit, an eligible employee must complete a District ~~Human Resources~~Personnel Office Resignation/Retirement form. The Resignation/Retirement form must state the employee's ~~intended~~last date of ~~entry into the retirement system.~~ service. For as long as the insurance carrier allows, the retired employee eligible for ~~district~~District-paid employee-only coverage may purchase dependent coverage at the price this coverage is available to the District. Payment must be made annually, semi-~~annually~~; or quarterly, and in advance. Any unused portion of a payment shall be refunded to the purchaser. Date and method of payment and other implementing procedures shall be determined by the District.

2. ~~2.~~—An employee who retires into one of the previously mentioned retirement systems and who is not eligible for ~~district~~District-paid, employee-only coverage may purchase continued health insurance coverage until the first of the month in which the employee attains sixty-~~five~~ (65) years of age. For as long as the carrier allows, the retired employee may also purchase dependent coverage at the price these coverages are made available to the District. Payment must be made annually, semi-~~annually~~; or quarterly, and in advance. Any unused portion of such a payment shall be refunded to the purchaser. Date and method of payment and other implementing procedures shall be determined by the District.

4.3. ~~3.~~ Retiree with Spouse on Active Status: An employee eligible and applying to retire may postpone eligibility for this benefit if the retiring employee has an active, benefits-eligible spouse also employed by the District who will cover the employee as a plan dependent. The retiring employee may postpone eligibility

for retiree benefits coverage described above until such time as the spouse retires or otherwise loses coverage.

Section 9 – District-Paid Insurance After Exhaustion of Paid Sick Leave

After an employee has exhausted all paid ~~sick leave~~Sick Leave entitlements, including the accrued ~~sick leave~~Sick Leave and the five--month entitlement, and, still too incapacitated to work, that employee is granted a ~~health leave~~Health Leave, the District will continue to pay for those portions of the employee's insurance program it had been paying for on the last day of the employee's paid sick leave. The District shall continue this payment for up to twelve (12) months or until the employee is granted disability payments by the State Teachers' Retirement System, whichever occurs sooner. The employee may not add coverages at District expense through the period of District payment following exhaustion of ~~sick leave~~Sick Leave. The District shall not be obligated to sell the employee any insurance coverage after this period. It shall be the employee's responsibility to make timely arrangement for conversion from District coverages.

Section 10 – Death of Employee

Should an employee die while in paid status, the surviving spouse and/or surviving dependents will be offered COBRA continuation coverage for medical and dental insurance in effect at the time of the employee's death. COBRA continuation coverage for dependents may continue for up to thirty-six (36) months. The District shall pay the COBRA medical premiums for the surviving spouse and/or dependent(s) through the benefit year in which the employee's death occurred. The surviving spouse and/or dependent(s) will pay the full COBRA premium for medical coverage elected under COBRA beyond the benefit year in which the employee died. A COBRA election to continue dental coverage is at the sole expense of the spouse and/or other eligible dependents. All COBRA premiums are due on a monthly basis.

ARTICLE X -- HOURS OF EMPLOYMENT
ALL REGULAR AND ALTERNATIVE EDUCATION SCHOOLS, DISTRICT OFFICE,
AND SUNSHINE

Section 1 -- Full-time Classroom and Itinerant Teachers, Special Education ~~Specialists~~ Teachers, School Librarians, Nurses, Speech Language Pathologists, Psychologists, Teachers on Special Assignment, and Counselors.

A. A.—Work ~~year:~~ Year: The work year shall be ~~as provided in the school calendar which shall be~~ developed byin consultation between the Association and the District as provided in Article V. The calendars shall be constructed with the following limits:

1. 1.—Elementary and High School, Full-time K-12 Independent Study, and Continuation High School: One hundred eighty~~—~~one (181) days of instruction.

Middle School, Opportunity School/COPE and Community Day School: One hundred eighty (180) days of instruction.

2. 2.—(a) Returning Teachers

(a) Elementary School Teachers: Four (4) work days without students for returning elementary ~~and high school~~ teachers.

~~—(b) Five (5) days without students for returning middle school teachers.~~

~~—(c) Five (5) days without students for new elementary and high school teachers and six (6) days without students for new middle school teachers.~~

~~The four (4) days in 2A above shall to~~ be used as two (2) non-student attendance days for elementary parent conference days; ~~or two (2) secondary non-student attendance days, one (1) at the end of each semester or quarter;~~ plus two (2) days prior to the opening of schools.

(b) Middle School Teachers: Five (5) work days without students for ~~all~~ returning ~~employees.~~

~~The five (5) days in 2B above shall~~ middle school

teachers to be used as three (3) ~~middle school~~ non-~~—~~student attendance days, one (1) each at the end of the first quarter, first semester and third quarter ~~days;~~ plus two (2) days prior to the opening of

schools.

(c) High School Teachers: Four (4) work days without students for returning high school teachers to be used as two (2) non-student attendance days, one (1) at the end of each semester; plus two (2) days prior to the opening of schools.

3. New Teachers

1-(a) Elementary School Teachers: Five (5) work days without students for new elementary teachers to be used as two (2) non-student attendance days for all returning employees. elementary parent conference days plus three (3) days prior to the opening of schools, which includes one (1) day of orientation.

(b) Middle School Teachers: Six (6) work days without students for new middle school teachers to be used as three (3) non-student attendance days, one (1) each at the end of the first quarter, first semester and third quarter; plus three (3) days prior to the opening of schools, which includes one (1) day of orientation.

(c) High School Teachers: Five (5) work days without students for new high school teachers to be used as two (2) non-student attendance days, one (1) at the end of each semester; plus three (3) days prior to the opening of schools, which includes one (1) day of orientation.

2.4. On the two (2) days prior to the opening of school, there shall be a limit of six and three-fourth's- fourths (6 3/4)3/4 hours of mandatory meetings. These meeting are not included in the maximum number of regularly scheduled staff meetings.

5. 3-The following days shall be free of meetings:

a-(a) The two high school end of semester days.

b-(b) The three middle school end of first quarter, first semester and third quarter days.

2.6.4. Using the voting procedure in Section 2 and with the agreement of the school principal, annually by April 1, a middle school canThe middle schools will modify the school calendar to enable 7th grade students to begin and end their school year one day earlier than the 8th grade students.

The adjustment of the school year shall not increase the number of ~~workdays~~work days or student contact days for teachers. All employees shall have no less than seven and ~~one-half~~three quarters (7-5) 3/4 hours of time for room preparation at the beginning of the 2014-15 school year- and no less than eight (8) hours commencing the 2015-16

school year. No employee shall be required to have more contact with 7th grade students on their first day of attendance than the proportional amount of 7th grade student contact time determined by the employee's daily assigned

teaching schedule. Similarly, no employee shall be required to have more contact with 8th grade students on the last day of 8th grade attendance than the proportional amount of 8th grade student contact time determined by the employee's daily assigned teaching schedule.

~~7. 5.~~—Elementary schools shall have a minimum day of two hundred forty (240) minutes in length on the last day of pupil attendance ~~of 240 minutes in length.~~ As of the last day of school, should at least one hundred twenty (120) annual minutes of attendance hours beyond the State minimum remain, and the day prior to the last day of school is a full day, the Superintendent shall declare the last day of school as one hundred eighty (180) minutes in length.

~~6. In addition to the days above, all teachers new to the District shall attend an orientation day prior to the opening of school, as provided in (2) above.~~

~~8. 7.~~—All probationary and those temporary employees, who have been employed fewer than three (3) consecutive years for at least 75 percent of the work year, may be required to attend up to five (5) days ~~in-service~~in-service training outside their work year. These ~~in-service~~in-service days shall be related to school or District staff development programs, with compensation at the “Miscellaneous Salary Provision” rate for ~~in-service~~in-service.

B. ~~Workweek:~~ Work Week: The regular ~~workweek~~work week shall be Monday through Friday except ~~as such~~for a week that might be changed by national, state, or local holidays, ~~or on~~ the school calendar.

~~C. Workday:~~

~~C. —1.~~ Work Day:

1. High Schools and Continuation High School: Employees shall be on the ~~worksitework site~~ no less than twenty (20) minutes before the first students arriving are scheduled to attend class. The normal or regular ~~workdaywork day~~ shall be seven and ~~one-half~~three-quarters ($7 \frac{3}{4}$) consecutive hours ~~including~~commencing the 2014-15 work year and eight (8) consecutive hours commencing the 2015-16 work year, which includes the lunch period. The additional fifteen (15) minutes in the 2014-15 work year will be added at the end of the work day. The placement of the additional fifteen (15) minutes in the 2015-16 work year will be determined by the RCTA/RUSD Joint Negotiation Team. The length of the instructional day shall be 365 minutes. If program assignments are such that different employee assignments require different daily

beginning and ending times, these times will be determined by mutual agreement of the employee and the District.

~~Using the voting procedure in Section 2 and with~~

~~At Lincoln High School, employees shall report to the work site no less than thirty (30) minutes before the agreement beginning of the school session to which they are assigned by the principal, annually by April 1, a high school may.~~

- (a) High schools will increase the number of instructional minutes to establish Staff Collaboration Time. Using the voting procedure in Section 7, annually by April 1, each high school shall choose between the following options by simple majority vote:

~~Staff Collaboration Time shall be utilized for grade level team planning; collaboration and articulation among teachers; and curriculum planning. This time period shall be collaboratively designed and implemented by bargaining unit members and the school administration.~~

~~If the Staff Collaboration Time period is used for any purpose other than that which has been previously listed, the activity will also be planned collaboratively between bargaining unit members and the school administration. This time shall not be used for staff meetings, individual teacher planning time, or for the early release of teachers.~~

~~In order to establish Staff Collaboration Time, each participating high school may increase the number of daily instructional minutes contained in Article X, Section 1C(a) of this Agreement in one of two ways:~~

~~1. The high school may increase the number of daily instructional minutes by a minimum of nine (9) minutes or maximum of 12 minutes, four (4) days per week; and on the fifth (5th) day of the week; instructional minutes may be decreased in order to implement Staff Collaboration Time by a late start or early dismissal.~~

~~2. The high school may increase the number of daily instructional minutes by a minimum of nine (9) minutes or maximum of 12 minutes, for nine (9) consecutive days; and on the tenth (10th) day, instructional minutes may be decreased in order to implement Staff Collaboration Time by a late start or early dismissal.~~

~~When designing a Staff Collaboration schedule, pre-approval from Assistant Superintendent, Human Resources and the Fiscal Services Manager (Attendance) must be obtained.~~

~~Staff Collaboration Time shall be scheduled during the regular instructional day. Staff Collaboration Time shall be designed by teachers. The agendas will be teacher-driven and include one or more of these elements as outlined in the California Standards for the Teaching Profession (CSTP): Engaging and supporting all students in learning; Creating and maintaining effective environments for student learning; Planning instruction and designing~~

learning experiences for all students; Assessing student learning and progress; and Developing as a professional educator. This time shall not be used for staff meetings, individual teacher planning time or for the early release of teachers.

Teacher preparation time, as defined in Article X, Section ~~1(G)1F~~ of the ~~Collective Bargaining~~ Agreement, shall not be altered as a result of the implementation of Staff Collaboration Time.

2.2. Middle Schools: Employees shall be on the ~~worksite~~work site no less than thirty (30) minutes before the first students arriving are scheduled to attend class. The normal or regular ~~workday~~work day shall be seven and ~~one-half~~three-quarters (7 ~~1/2~~^{3/4}) consecutive hours ~~including~~commencing the 2014-15 school year and eight (8) hours commencing the 2015-16 work year, which includes the lunch period. The additional fifteen (15) minutes in the 2014-15 work year will be added at the end of the work day. The placement of the additional fifteen (15) minutes in the 2015-16 work year will be determined by the RCTA/RUSD Joint Negotiation Team. The length of the instructional day shall be 350 ~~minutes.~~ minutes. If program assignments are such that different employee

assignments require different daily beginning and ending times, these times will be determined by mutual agreement of the employee and the District.

Staff Collaboration Time shall be scheduled during the regular instructional day. Staff Collaboration Time shall be designed by teachers. The agendas will be teacher-driven and include one or more of these elements as outlined in the California Standards for the Teaching Profession (CSTP): Engaging and supporting all students in learning; Creating and maintaining effective environments for student learning; Planning instruction and designing learning experiences for all students; Assessing student learning and progress; and Developing as a professional educator. This time shall not be used for staff meetings, individual teacher planning time or for the early release of teachers.

Teacher preparation time, as defined in Article X, Section 1F of the Agreement, shall not be altered as a result of the implementation of Staff Collaboration Time.

3. Elementary Schools:

(a) Employees shall be on the work site twenty (20) minutes before the first students arriving are scheduled to attend class. The normal or regular work day shall be seven and three-quarters (7 ¾) consecutive hours commencing the 2014-15 school year and eight (8) consecutive hours commencing the 2015-16 work year, which includes the lunch period. The additional fifteen (15) minutes in the 2014-15 work year will be added at the end of the work day. The placement of the additional fifteen (15) minutes in the 2015-16 work year will be determined by the RCTA/RUSD Joint Negotiation Team. If program assignments are such that different employee assignments require different daily beginning and ending times, these times will be determined by mutual agreement of the employee and the District.

~~3. Elementary Schools:~~

~~Employees shall be on the worksite twenty (20) minutes before the first students arriving are scheduled to attend class. The normal or regular workday in elementary schools shall be seven and one-half (7 1/2) consecutive hours including the lunch period. If program assignments are such that different employee assignments require different daily beginning and ending times, these times will be determined by mutual agreement of the~~

~~employee and the District.~~—The scheduling of K-3 teacher supervision duties shall be assigned equitably among K-3 teachers at their school site. The District will provide supervision for before school duty in grades K-6. In the event the ~~Site Administrator~~site administrator is unable to provide adequate supervision to ensure the safety of children, ~~bargaining unit member~~employees shall perform this duty, and such duty must be equitably assigned at each ~~worksite~~work site. On such an occasion, the supervising teacher may leave the ~~worksite~~work site early by the same amount of time he ~~or~~/she performed the duty, on the first afternoon without a meeting. When assigned morning supervision, an employee may be required to report for that duty thirty (30) minutes before the start of

~~(a)~~ the earliest class if the principalsite administrator deems such early reporting necessary to assure adequate supervision. When assigned supervision at student dismissal time, employees may be required to remain on duty for up to thirty (30) minutes after the dismissal time if the principalsite administrator deems more than twenty (20) minutes of supervision are necessary to provide adequate supervision of students.

~~(b) (b)~~ — The length of the ~~traditional year~~ instructional day for the traditional year for elementary students shall be as follows:

Grades K -- 3	285 minutes
Grades 4 -- 6	300 minutes

(c) Students in grades K-6 at each school shall have common beginning and ending times. In primary classes, except ~~3/4~~ combinations, in addition to a morning recess, there may be an afternoon recess not to exceed fifteen (15) minutes, at the discretion of each teacher. The time the recess may be held shall be designated by the principal-site administrator. Recess supervision shall be done by teachers utilizing this afternoon recess.

(d) On all regular or normal days, except those on which staff, team, or district-ordered meetings are scheduled, the final forty-five (45) minutes of the elementary ~~teachers~~ workdayteachers' work day shall be designated as planning time for those with full-time classroom teaching assignments. ~~Schools which start classes at 9:00 a.m. may schedule planning time at the beginning rather than the end of the day by mutual agreement between staff and principal. Should mutual agreement not be achieved in a staff meeting, the principal shall determine when planning time shall be scheduled.~~ Planning time is provided to allow teachers an opportunity during the workdaywork day to prepare assignments, correct papers, meet with parents and other staff members, meet with students, and to perform related tasks arising from the teaching assignment.

~~(e) Using the voting procedure in Section 2 and with the agreement of the school principal, annually by April 1, an elementary school may set aside a portion of one school day, per week, to establish a Staff Collaboration Time period.~~

~~Staff Collaboration Time shall be utilized for grade level team planning; collaboration and articulation among teachers; and curriculum planning. This time period shall be collaboratively designed and implemented by bargaining unit members and the school administration.~~

~~If the Staff Collaboration Time period is used for any purpose other than that which has been previously listed, the activity will also be planned collaboratively between bargaining unit members and the school administration. This time shall not be used for staff meetings, individual teacher planning time, or for the early release of teachers.~~

(e) In order to establish a Staff Collaboration Time period, each ~~participating~~ elementary school ~~may~~shall increase the number of daily instructional minutes contained in Section 1C(b) of this Agreement by fifteen (15) minutes, four (4) days a week. On the fifth (5th) day of the week, instructional minutes may be decreased in order to implement a one (1) hour Staff Collaboration Time period.

Staff Collaboration Time shall be scheduled during the regular instructional day. Staff Collaboration Time shall be designed by teachers. The agendas will be teacher-driven and include one or more of these elements as outlined in the California Standards for the Teaching Profession (CSTP): Engaging and supporting all students in learning; Creating and maintaining effective environments for student learning; Planning instruction and designing learning experiences for all students; Assessing student learning and progress; and Developing as a professional educator. This time shall not be used for staff meetings, individual teacher planning time or for the early release of teachers.

Teacher preparation time, as defined in Section 1C(~~e 3(d)~~) of the ~~collective bargaining agreement~~Agreement, shall not be altered as a result of the implementation of the Staff Collaboration Time period.

~~4.~~ 4. Each kindergarten teacher not teaching full day kindergarten shall be available for assistance within the kindergarten and/or primary program for a maximum of forty-five (45) minutes during the school day ~~except those volunteers who agree to the following provisions:~~

- ~~(a) Kindergarten teachers may volunteer to participate in the District's training program for Reading Recovery.~~
- ~~(b) The Association agrees that Kindergarten teachers who volunteer and are selected to participate in the Reading Recovery training may work a maximum of 120 minutes per day with other primary grade-level students.~~
- ~~(c) The Association agrees that Kindergarten teachers who volunteer and are selected to participate in the implementation phase of the Reading Recovery program may work a maximum of 90 minutes per day with other primary grade-level students.~~
- ~~(d) A volunteer participant in the Reading Recovery training shall sign a statement that he/she is a volunteer and understands the daily time requirements of the program. A copy of such statement shall be provided to the association.~~

~~D. D.~~ It is recognized by the District and the Association that all employees work additional hours in excess of those ~~which are~~ required at the ~~worksite which~~work site that may vary according to the responsibility of the individual employee. Employees may be expected to spend additional time on the ~~worksite~~work site for purposes of staff meetings; team or department meetings; conferences involving students, parents or District personnel; SST and IEP meetings. The District shall make every effort to schedule SST and IEP meetings during the ~~workday.~~work day. Special Education employees and School Nurses attending IEP meetings shall be paid the curriculum rate of pay for the time that extends beyond one (1) hour after the ~~employees~~employees' regular work day, to be paid in increments of

one-half ($\frac{1}{2}$) hour.

School staff meetings ~~which~~that require attendance outside the ~~workday~~work day shall be limited to no more than fifteen (15) meetings per year, per employee, ~~each~~. These meetings shall not ~~to~~ exceed seventy-five (75) minutes after the latest regularly scheduled dismissal time of students.

No elementary employee will be required to attend more than fifteen (15) team meetings per year ~~and no~~. No team meeting shall extend beyond ~~the regular workday~~. forty-five (45) minutes after student dismissal time.

~~Middle schools may use banked PLC time for department and/or team meetings.~~ No middle school employee will be required to attend more than ~~eight (8)~~fifteen (15) department or team meetings ~~may be required beyond the work day, and these shall be limited to per year.~~ No team meeting shall extend forty (40) minutes after student dismissal time.

No high school employee will be required to attend more than fifteen (15) department ~~and/or~~ team meetings per year. ~~These~~No team meeting shall ~~be limited to extend beyond~~ fifty (50) minutes after student dismissal time.

Except under unusual circumstances, team or staff meetings will not be scheduled on the afternoon before the start of a weekend or vacation.

Whenever possible, meetings necessary for conducting WASC, CCR, and PQR shall be scheduled during school release/in-service days or during the regular ~~workday~~ work day.

Prior to the end of each school year, the site administrator shall meet with his/her staff, or with elected representatives of his/her staff, for the purpose of mutually agreeing on the number and type of committees and special events that will be necessary to carry out the school program in the following year. Other special events or committees may be mutually added during the school year.

The list of agreed upon committees and special events shall be submitted to the school staff, so that ~~site member~~ employees may select those committees and/or events in which they want to participate.

~~E. At Lincoln High School employees shall report to the worksite no less than thirty (30) minutes before the beginning of the session to which they are assigned by the principal.~~

~~E.~~ E. Employees assigned to middle schools or high schools shall be entitled to one (1) duty-free, uninterrupted lunch period per day, which shall be the longer of no less than thirty-five (35) minutes in length, or either the student lunch period, whichever is longer. at their site or thirty-five (35) minutes. Employees assigned to elementary schools shall have a lunch period of forty-five (45) minutes. At elementary schools when weather conditions prohibit the normal use of the playground, the ~~principal~~ site administrator may declare a lunch period for staff and students of thirty (30) minutes, or up to twenty-five percent (25%) of the staff may be required to assist with student supervision for that period of time the lunch period exceeds thirty (30) minutes. Such duty must be equitably assigned at each ~~worksite~~ work site. On these days, employees assigned lunch duty or having a shortened lunch period may leave the ~~worksite~~ work site fifteen (15) minutes earlier than the regular departure time the first afternoon without a meeting.

~~B.F.~~ F. Full-time classroom teachers in grades seven (7) through twelve (12) shall be entitled to one

~~G.~~ G. (1) scheduled instructional period per day to be used for preparation and planning, and conferences with parents, ~~students~~ students, supervisors, and other employees. Normally, teachers may not leave the ~~worksite~~ work site during this period without prior approval of the ~~principal or designee.~~ site administrator. Except by mutual agreement between the

employee and the District, full-time teachers in middle and high schools shall have no more than twenty-five (25) teaching periods per week, exclusive of the ~~sustained silent reading program~~ Sustained Silent Reading (SSR) program. In lieu of SSR, teachers may volunteer to provide enrichment or intervention instruction to meet students' needs during the time period that is designated for SSR with administrative approval.

G. ~~H.~~ Counselors, pre-school teachers and District I.M.S. specialists shall work an eight (8) hour day inclusive of lunch, which shall be the longer of either the student lunch period at their site or thirty-five (35) minutes.

H. Nurses shall work a seven and one half (7 ½) hour day, inclusive of lunch.

I. Psychologists shall work an eight (8) hour work day, exclusive of lunch.

J. Speech & Language Pathologists shall work a seven and three-quarters (7 ¾) hour day, commencing the 2014-15 school year and eight (8) hours commencing the 2015-16 school year, which includes lunch. The additional fifteen (15) minutes in the 2014-15 work year will be added at the end of the work day. The placement of the additional fifteen (15) minutes in the 2015-16 work year will be determined by the RCTA/RUSD Joint Negotiation Team.

K. Regular K-12 independent study employees shall work a seven and three-quarters (7 ¾) hour day commencing the 2014-15 school year and eight (8) hours commencing the 2015-16 school year, which includes lunch. The additional fifteen (15) minutes in the 2014-15 work year will be added at the end of the work day. The placement of the additional fifteen (15) minutes in the 2015-16 work year will be determined by the RCTA/RUSD Joint Negotiation Team.

Section 2 - Alternative Educational Programs

A. This section applies to the following programs: STOPP, part-time K-12 Independent Study and other alternative programs where the hours and assignments to the programs are determined based on the level of student enrollment or attendance.

B. Employee Work Hours: The lengths of the work year, work week, and work day, as well as the number of employees in these alternative educational programs, are dependent upon fluctuations in average daily attendance, categorical funding changes and community needs. The District reserves the right to add to, reduce or eliminate the work hours of an employee in these alternative educational programs, based upon changes in average daily attendance.

C. Necessary Attendance: The District shall determine and notify teachers of the amount of student attendance necessary for the scheduling, maintenance, and/or cancellation of any

teacher's class no later than twenty (20) work days after the beginning of each school year. The amount will remain fixed for the remainder of the year.

D. Averaging Teachers' Classes: To attempt to maintain stability for permanent and probationary Adult & Alternative Educational Services (A.A.C.E.S.) teachers, class averaging will be applied by the District to the minimum class attendance amount needed prior to the reduction of any permanent or probationary teacher hours per week that they have been assigned, over a period of fifteen (15) work days.

Section 3 - Extended Work Year and/or Work Day Employees

An employee required by the District to work more days than the regular work year or more hours than the regular work day, except as provided in Section 1D above, shall receive additional compensation by being assigned to a different salary schedule (I.M.S. specialists, counselors, school nurses and psychologists, for example), or an additional salary schedule (coaches, high school band directors, high school choir directors, high school pep squad and drill team sponsors, for example), or paid at their regular daily rate for each excess day (District I.M.S. specialists, bilingual and special education teachers, librarians and counselors, for example). For purposes of this Section, regular full-time K-12 Independent Study teachers shall be compensated on the regular teacher salary schedule for their regular work day as defined in Section 1.

Section 4 - Part-Time Work Year and/or Work Day Employees

An employee working fewer days than the regular work year shall be a part-time employee and shall be remunerated at the same ratio that the employee's total number of work days bear to the total number of work days in the regular work year. For example, a classroom teacher employed for one semester shall receive fifty percent (50%) of the appropriate annual salary listed on the Teacher Salary Schedule. An employee who works fewer hours than the total included in the regular work day shall be a part-time employee and shall be remunerated at the same ratio the employee's regular daily work hours bear to the total included in the regular work day, as determined at the time of hire or upon modification of the employee's contract.

Section 5 - Hours on Special Days for All Employees

A. Employees working in schools that hold Open House Nights and/or Back-to-School Nights may be required to attend and participate in two (2) of these programs annually without additional remuneration.

B. Employees working in schools that regularly schedule student activities outside of regular duty hours, such as athletic events, dances, theater productions and any activity involving

parents, may be required to attend and assist with the management of no more than four (4) of these events annually. In combination with (A) above, no employee may be required to attend more than five (5) events. These duties are part of each employee's basic responsibilities and their performance will not require additional remuneration.

C. On days that an employee is assigned to an evening activity, the employee may leave the work site at the time of the last regularly scheduled student dismissal.

D. On days that an employee attends an unassigned evening activity at the employee's school of assignment, with prior permission of the site administrator or designee, the employee may leave the work site at the time of the last regularly scheduled student dismissal.

Section 6 - Summer School Work Day

The work day for a classroom teacher during a summer session shall be from fifteen (15) minutes before the beginning time of the first class, to which the teacher is assigned, until ten (10) minutes after the dismissal of the last class, to which the teacher is assigned.

Section 7 – Voting Procedure

When ~~bargaining unit member~~employees at a school site vote pursuant to the provisions of any section of this Article, the vote shall be conducted as follows:

1. The vote shall be conducted by secret ballot.
2. The voting period shall be five (5) working days.
3. The ~~RCTA~~Association site representative(s) and the site administrator (or designee) shall:
 - ~~a.~~b. Provide all affected employees with a ballot and obtain their signatures for receipt;
 - ~~b.~~c. Provide those employees not at school with the opportunity to vote, if possible;
 - ~~c.~~d. Institute a procedure to assure that employees vote only once;
 - ~~d.~~e. Count the votes;
 - ~~e.~~f. Fill out and sign a reporting form designed by ~~Human Resources and RCTA~~the Department of Personnel and the Association; and

~~f.~~ Forward the completed form to ~~Human Resources and RCTA~~.

~~Plans for changing the schedule to accommodate Staff Collaboration Time and middle school calendar modification (Section 1A-6) must be approved by 75% Department of the affected employees who vote.~~

~~Section 2A (Workyear) is amended in its entirety to read:~~

~~A. **Workyear:** The workyear shall be as provided in the school calendar which shall be g. developed by consultation between Personnel and the Association and the District as~~

provided in.

~~Article V. The calendars shall be constructed with the following limits:~~

~~1. Elementary and High School, Full-time K-12 Independent Study, Continuation High School: One hundred eighty-one (181) days of instruction.
Middle School, Opportunity School/COPE and Community Day School: One hundred eighty (180) days of instruction.~~

~~2. Returning Teachers~~

~~(a) Elementary School Teachers: Four (4) work days without students for returning elementary teachers to be used as two (2) elementary parent conference days plus two (2) days prior to the opening of schools.~~

~~(b) Middle School Teachers: Five (5) work days without students for returning middle school teachers to be used as three (3) non-student attendance days, one (1) each at the end of the first quarter, first semester and third quarter; plus two (2) days prior to the opening of schools.~~

~~(c) High School Teachers: Four (4) work days without students for returning high school teachers to be used as two (2) non-student attendance days, one (1) at the end of each semester; plus two (2) days prior to the opening of schools.~~

~~3. New Teachers~~

~~(a) Elementary School Teachers: Five (5) work days without students for new elementary teachers to be used as two (2) elementary parent conference days plus three (3) days prior to the opening of schools.~~

~~(b) Middle School Teachers: Six (6) work days without students for new middle school teachers to be used as three (3) non-student attendance days, one (1) each at the end of the first quarter, first semester and third quarter; plus three (3) days prior to the opening of schools.~~

~~(c) High School Teachers: Five (5) work days without students for new high school teachers to be used as two (2) non-student attendance days, one (1) at the end of each semester; plus three (3) days prior to the opening of schools.~~

~~4. On the two (2) days prior to the opening of school, there shall be a limit of six and three-fourths (6 3/4) hours of mandatory meetings.~~

~~5. The following days shall be free of meetings:~~

~~(a) The two high school end of semester days.~~

~~(b) The three middle school end of first quarter, first semester and third quarter days.~~

~~6. Using the voting procedure in Section 2 and with the agreement of the school principal, annually by April 1, a middle school can modify the school calendar to enable 7th grade students to begin and end their school year one day earlier than~~

~~the 8th grade students.~~

~~The adjustment of the school year shall not increase the number of workdays or student contact days for teachers. All employees shall have no less than seven and one half (7.5) hours of time for room preparation at the beginning of the school year. No employee shall be required to have more contact with 7th grade students on their first day of attendance than the proportional amount of 7th grade student contact time determined by the employee's daily assigned teaching schedule. Similarly, no employee shall be required to have more contact with 8th grade students on the last day of 8th grade attendance than the proportional amount of 8th grade student contact time determined by the employee's daily assigned teaching schedule.~~

- ~~7. Elementary schools shall have a minimum day on the last day of pupil attendance of 240 minutes in length. As of the last day of school, should at least 120 annual minutes of attendance hours beyond the State minimum remain, and the day prior to the last day of school is a full day, the Superintendent shall declare the last day of school as 180 minutes in length.~~

~~Section 8. In addition to the days above, all teachers new to the District shall attend an orientation day prior to the opening of school, as provided in (2) above.~~

- ~~9. All probationary and those temporary employees who have been employed fewer than three (3) consecutive years for at least 75 percent of the work year may be required to attend up to five (5) days inservice training outside their work year. These inservice days shall be related to school or District staff development programs, with compensation at the Miscellaneous Salary Provision rate for inservice.~~

~~Section 3—Other Employees—~~

- ~~A. The length of the workday for regular K-12 independent study employees shall be seven and a half (7 1/2) hours inclusive of lunch.~~
- ~~B. The length of the work day for full time employees with assignments other than those in Sections 1 and 3 A., such as psychologists, shall be eight (8) hours exclusive of lunch.~~

~~Section 4—Alternative Educational Programs.~~

- ~~A. This section applies to the following programs: STOP, part time K-12 Independent Study, and other alternative programs where the hours and assignments to the programs are determined based on the level of student enrollment or attendance.~~
- ~~B. Employee Work hours: The lengths of the work year, workweek, and workday, as well as the number of employees in these alternative educational programs are dependent upon~~

~~fluctuations in average daily attendance, categorical funding changes, and community needs. The District reserves the right to add to, reduce, or eliminate the work hours of an employee in these alternative educational programs, based upon changes in average daily attendance.~~

~~C.—Necessary Attendance: The District shall determine and notify teachers of the amount of student attendance necessary for the scheduling, maintenance, and/or cancellation of any teacher's class no later than twenty (20) workdays after the beginning of each school year. The amount will remain fixed for the remainder of the year.~~

~~D.—Averaging Teachers' Classes: To attempt to maintain stability for tenured and probationary A.A.C.E.S. teachers, class averaging will be applied by the District to the minimum class attendance amount needed prior to the reduction of any tenured or probationary teacher hours per week which they have been assigned, over a period of fifteen (15) workdays.~~

~~Section 5—Extended Work year and/or Workday Employees.—~~

~~An employee required by the District to work more days than the regular work year or more hours than the regular workday, except as provided in Section 1D above, shall receive additional compensation by being assigned to a different salary schedule (I.M.S. specialists, counselors, school nurses and psychologists, for example), or an additional salary schedule (coaches, high school band directors, high school choir directors, high school pep squad and drill team sponsors, for example), or paid at their regular daily rate for each excess day (District I.M.S. specialists, bilingual and special education teachers, librarians, and counselors, for example). For purpose of this section, regular full-time K-12 Independent Study teachers shall be compensated on the regular teacher salary schedule for their regular workday as defined in Section 2.~~

~~Section 6—Part-Time Work year and/or Workday Employees.—~~

~~An employee working fewer days than the regular work year shall be a part-time employee and shall be remunerated at the same ratio that the employee's total number of workdays bear to the total number of workdays in the regular work year. For example, a classroom teacher employed for one semester shall receive fifty percent (50%) of the appropriate annual salary listed on the Teacher Salary Schedule. An employee who works fewer hours than the total included in the regular workday shall be a part-time employee and shall be remunerated at the same ratio the employee's regular daily work hours bear to the total included in the regular workday, as determined at the time of hire or upon modification of the employee's contract.~~

~~Section 7—Hours on Special Days for All Employees.~~

- ~~A. Employees working in schools that hold Open House Nights and/or Back to School Nights may be required to attend and participate in two (2) of these programs annually without additional remuneration.~~
- ~~B. Employees working in schools that regularly schedule student activities outside of regular duty hours, such as athletic events, dances, theater productions, and any activity involving parents may be required to attend and assist with the management of no more than four (4) of these events annually. In combination with (A) above, no employee may be required to attend more than five (5) events. These duties are part of each employee's basic responsibilities and their performance will not require additional remuneration.~~
- ~~C. On days that an employee is assigned to an evening activity, the employee may leave the worksite at the time of the last regularly scheduled student dismissal.~~
- ~~D. On days that an employee attends an unassigned evening activity at the employee's school of assignment, with prior permission of the principal or the principal's designee, the employee may leave the worksite at the time of the last regularly scheduled student dismissal.~~

~~**Section 8 -- Summer School Workday.**~~

~~The workday for a classroom teacher during a summer session shall be from fifteen (15) minutes before the beginning time of the first class to which the teacher is assigned until ten (10) minutes after the dismissal of the last class to which the teacher is assigned.~~

~~**Section 9 -- Parent Conference -- Elementary Schools.**~~

Working hours on elementary Parent Conference Days shall extend daily from the first through the last conference as scheduled by the employee, but in no case earlier than 12 noon. If an employee is ill on a regularly scheduled conference day, the District shall provide ~~released~~release time during the following week for the parent conferences ~~which~~that were missed.

Section 109 – Parent Conference – Secondary Schools

- A. Secondary sites ~~which~~that conduct parent conferences may use their banked day or any minutes in excess of the required annual instructional minutes to create a non-student attendance day for meeting with parents. Starting and ending times on a Secondary Parent Conference Day may be modified, with consensus of a majority of the teachers, to provide both day and evening time for parent meetings. The teachers' total ~~workday~~work day shall not exceed seven and ~~one-half~~three-quarters ($7\frac{1}{2}$ ³/₄) hours in 2014-15 work year and eight (8) consecutive hours— in 2015-16 work year. Such duty shall not substitute for nor be in lieu of one of the supervision duties permitted in Article X, Section ~~6-B~~7B.
- B. Secondary sites may choose to conduct parent conferences in conjunction with a modified or minimum student attendance day. The teachers' total ~~workday~~work day shall not exceed seven and ~~one-half~~three-quarters ($7\frac{1}{2}$ ³/₄) hours in 2014-15 work year and eight (8) hours in 2015-16 work year, including reporting fifteen (15) minutes before the beginning time of the first class and remaining until ten (10) minutes after the dismissal of the last class. If the Parent Conference portion extends beyond the teachers' regular ~~workday~~work day ending time, such duty shall substitute for and be in lieu of one of the supervision duties permitted in Article X, Section ~~6-B~~7B.

Section ~~11-10~~ - Counselors—

Part-~~time~~ counselors shall work three (3) extra days per year for each period of counseling; however, a full-~~time~~ counselor shall work fifteen (15) extra days during the summer except by mutual agreement between the District and the employee. ~~These extra days of work shall not be scheduled between July 1 and August 15 or during winter or spring recess except by mutual agreement between the District and the employee.~~ By mutual agreement, counselors may work flexible hours to provide counselor availability before school and in the evening.

Section ~~12~~—Categorical Program Specialist (CPS)—

~~CPS unit members may be classified as either Regular CPS or Extended Year CPS. CPS unit members working two hundred five (205) days shall be classified as Extended Year CPS and shall receive additional compensation by being assigned to a different salary schedule. Unit members in CPS assignments may agree to work additional days based on the needs of the school and its programs and shall be compensated at their daily rate of pay for any additional days beyond their defined work.~~

Section 13—Section 11 – Special Education Teachers

In order to fulfill their professional duties with their special education case load, the District shall provide up to five (5) days of release time to elementary RSP teachers. No substitute is required. The District shall provide up to three (3) days of release time to middle school and up to one (1) day to high school special education teachers. Substitutes will be provided. This release time shall be taken in half or whole day increments. This release time cannot be scheduled to conflict with staff, team or department meetings. The teacher will plan on-site release time to address special education case load. The release time will be scheduled with reasonable notice to and mutual agreement of the site administrator.

Section 12 -- School Librarian/Media Specialists:

A. ~~A.~~ The school librarian/media specialists may adjust their work hours during the first three (3) days of the first semester and the first two (2) days of the second semester to allow time to train students who are assigned to library science classes.

B. ~~B.~~ The school librarian/media specialist assigned to a school shall work up to a maximum of five (5) days before the beginning of the regular work year and up to a maximum of five (5) days after the end of the regular work year with compensation paid at the employee's daily rate of pay.

C. ~~C.~~ In the event that a high school librarian/media specialist should be assigned responsibility for custody, check out/in, loss/damage charges, and/or inventory of textbooks, the District shall provide sufficient classified staff to assist such employee with these tasks.

Section 14-13-- Secondary Preparation Period:--

The District will not assign a secondary teacher more than three (3) different preparation periods per day. In case of a compelling academic need, one (1) additional preparation may be assigned. Any additional preparations cannot be made without the consent of the teacher. This section does not apply to Alternative Educational Programs under Section ~~32~~, Continuation High School, full-time K-12 Independent study and non-departmentalized Special Education Programs.

**ARTICLE XI ~~—~~ HOURS OF
EMPLOYMENT ADULT EDUCATION**

Section 1 ~~—~~ Employee Work ~~hours.~~ Hours

The lengths of the work year, ~~workweek~~work week, and ~~workday~~work day, as well as the number of employees in Adult Education, are dependent upon fluctuations in average daily attendance, categorical funding changes, and community needs. The District reserves the right to add to, reduce, or eliminate the work hours of an employee in Adult Education based upon changes in average daily attendance.

Section 2 ~~—~~ Necessary Attendance.

The District shall determine and notify teachers of the amount of student attendance necessary for the scheduling, maintenance, and/or cancellation of any teacher's class no later than twenty ~~(20) workdays after the beginning of each school year. The amount will remain fixed for the remainder of the year.~~

(20) work days after the beginning of each school year. The amount will remain fixed for the remainder of the year.

Section 3 ~~—~~ Averaging Teachers' Classes.

To attempt to maintain stability for ~~tenured~~permanent and probationary Adult Education teachers, class averaging will be applied by the District to the minimum class attendance amount needed prior to the reduction of any ~~tenured~~permanent or probationary teacher hours per week, which they have been assigned, over a period of fifteen (15) ~~workdays~~work days.

Section 4 ~~—~~ On-Site Time.

Employees assigned as classroom teachers will be at the ~~worksite~~work site ten (10) minutes before the beginning of their first class and remain on duty at the ~~worksite~~work site, except for authorized break periods, until the end of their last class.

Section 5 ~~—~~ Non-Teaching Employees.

~~The workday for full-time employees with assignments other than classroom teaching will be eight (8) hours exclusive of a meal period. These employees will be compensated at the same rate as they would be if they were assigned to a regular school.~~

Section 6 ~~—~~ Benefits.

~~Unless otherwise provided in A12C, all~~All credentialed teaching employees in the Adult Education program will be considered full-time for benefits, provided elsewhere in this

Agreement, if they are regularly assigned to work at least twenty-three (23) hours per week. They will be considered for pay averaging purposes if they are ~~tenured~~permanent and regularly assigned to work at least twenty three (23) hours per week.

Section ~~7-6~~ - Priority in Assignment.

Permanent full-time credentialed teaching employees who have ~~tenure~~permanent status in the Adult Education program will be assigned at the beginning of each school year the number of weekly instructional hours for which they ~~have tenure~~are entitled. The ~~tenured~~permanent employee will have a prior right ~~to assignment over any temporary or probationary employee in classes for which they are properly credentialed.~~

to assignment over any temporary or probationary employee in classes for which they are properly credentialed.

Section ~~8-7~~ - Status Notice.-

All credentialed employees shall receive annually a letter from the District indicating the employee's status (i.e., temporary, probationary, permanent).

ARTICLE XII CLASS SIZE

Section 1 Compliance With Law

The District will assign pupils to classes in compliance with California state law.

Section 2 Elementary Schools (K-6)

~~A.~~ Each elementary school shall be allocated classroom teaching positions in sufficient number to ensure that the average class size in the elementary school shall be thirty (30). Only regular classes, those other than any special education class, shall be used to calculate this average.

~~B.~~ Within thirty-five (35) school days after the beginning of the school year, the ~~Human Resources Office~~Department of Personnel shall calculate the actual average class size district-wide in grades K-6 by dividing the actual active enrollment in all regular District K-6 classes by the actual number of full-time equivalent teachers assigned to instruct those classes. If the quotient is greater than thirty and one-half (~~30.5~~, 1/2), the District shall employ sufficient additional qualified teachers to reduce that quotient to thirty and one-half (~~30.5~~, 1/2).

C. When the average class size at any elementary school exceeds thirty-one (31) for two (2) successive monthly attendance reports, the District shall take action to reduce that average to thirty-one (31) or fewer students.

D. If any class in upper grades (grades 4, 5 or 6) ~~exceeds~~exceeds thirty-four (34) pupils for more than twenty-five (25) school days, written approval must be received from the teacher and a waiver of the class size requirement must be obtained from the Association.

E. Kindergarten classes shall be established using a student-to-teacher staffing ratio (“divisor”) of twenty-four (24) students to one (1) teacher (24:1). The maximum class size for any regular education classroom with kindergarten students shall be twenty-seven (27) students, except as provided below.

1. If the maximum class size of twenty-seven (27) students creates a situation at any school where to accommodate all kindergarten students, a combination class of kindergarten and first grade students would be created, such combination class may be avoided by exceeding the maximum class size of twenty-seven (27).

~~1.2.~~ The decision to exceed the maximum class size of twenty-seven (27) students shall be made collaboratively between the ~~principal~~site administrator, specific teacher

and the Association President or Association President's designee. Written approval must

~~2-~~ be received from the teacher and a waiver of the class size requirement must be obtained from the Association to document the collaborative decision.

F.A. Instructional Aide Time

Each regular education kindergarten teacher (excludes special education teachers) will be assigned aide time in direct support of that teacher's program as follows:

1. One (1) hour per week of aide time (not a specific aide).

Section 3 - Middle Schools (7-8-)

A.A. Class Size Maximums

- ~~1. 1-~~ Academic Classes: 35 students
- ~~2. 2-~~ Physical Education: 52 students
- ~~3. 3-~~ Business, ~~Typing~~ Industrial Arts, Computers, and Vocational Classes: Not to exceed the number of operable work stations.
- ~~4. 4-~~ Instrumental and Vocal Music Classes: No maximum.
- ~~5. 5-~~ Visual & Performing Art Classes: 35 students

~~B.~~ At the end of the twenty-fifth (25) day of the first semester, if the ~~above~~ maximum class sizes ~~size~~ at a middle school ~~worksite are~~ work site is exceeded, the District will make adjustments, ~~B. either by reorganizing classes or providing additional teaching staff,~~ in order to meet the requirements of Section A.

~~these maximums.~~

~~C. C-~~ At the end of the fifteenth (15) day of the second semester, if ~~above~~ the maximum class size at ~~the~~ middle school ~~worksite~~ work site is exceeded, the ~~district~~ District will make ~~necessary~~ adjustments to meet the requirements of ~~section~~ Section A.

~~D. D-~~ At the end of the twenty-fifth (25) day of the first semester or the fifteenth (15) day of the second semester, no class shall exceed the ~~maximum of~~ maximums in Section A without the written approval of the teacher and a waiver of the class size requirement by the Association.

~~E. E-~~ Any time the total enrollment in the set of five (5) classes taught by one (1) teacher exceeds one hundred seventy-five (175), the District, upon written request by that teacher, shall act to reduce the size of one (1) or more of the classes until the total enrollment in the five (5) classes is one hundred seventy-five (175) or fewer students.

This provision shall not apply to assignments in music, or physical education, ~~and~~ typing.

Section 4 - High Schools (9-12)-)

~~A. A.~~ Class Size Maximums

~~2.1.~~ Academic Classes: 36 students

~~3.2.~~ Business, ~~Typing~~, Industrial Arts, Computers, and Vocational Classes: Not to exceed the number of operable work stations-

~~4.3.~~ Instrumental and Vocal Music Classes: No maximum-

~~5.4.~~ Visual & Performing Art Classes: 36 students

~~6.5.~~ Non-sport Physical Education: 52 students

~~B. B.~~ At the end of the twenty-fifth (25) day of the first semester, if the ~~above~~ maximum class ~~size~~size at a high school ~~are~~is exceeded, the District will make adjustments, ~~either by reorganizing classes or providing additional teaching staff,~~ in order to meet ~~these maximums~~the requirements of Section A.

~~C. C.~~ At the end of the fifteenth (15) day of the second semester, if ~~above~~the maximum class size at ~~the~~a high school ~~worksite~~work site is exceeded, the ~~district~~District will make ~~necessary~~adjustments, in order to meet the requirements of section A.

~~D. D.~~ At the end of the twenty-fifth (~~25~~) day of the first semester or fifteenth (~~15~~) day of the second semester, no class shall exceed the maximums of Section A without the written approval of the teacher and a waiver of the class size requirement by the Association.

~~C. E.~~ Any time the total enrollment in the set of five (5) classes taught by one (1) teacher exceeds one hundred seventy-five (175), the District, upon written request by that teacher, shall act to reduce the size of one (1) or more of the classes until the total enrollment in the five (5) classes is one hundred seventy-five (175) or fewer students. ~~This provision shall not apply to assignments in music, physical education, ROTC, and typing.~~

This provision shall not apply to assignments in music, physical education and ROTC.

Section 5 - Special Education-

A. The District ~~shall~~will examine individual case loads to determine ~~if~~what additional staff support or other assistance is needed should site averages exceed these maximums:

- | | |
|--------------------------------------------------------------------------------|---------------------|
| 1. Elementary Special Day Class: | 13 |
| 2. Middle School Special Day Class and High School Severely Handicapped Class: | 15 |
| 3. Elementary and Middle School Resource Specialist: | 28 (32 with waiver) |
| 4. High School RSP and Non SH Special Day Classes: | 25 |
| 5. Designated Instructional Services: | 60 |

- ~~1. Elementary Special Day Class: 13~~
- ~~2. Middle School Special Day Class and High School Severely Handicapped Class: 15~~
- ~~3. Elementary and Middle School Resource Specialist: 28 (32 with waiver)~~
- ~~4. High School RSP and Non SH Special Day Classes: 25~~
- ~~5. Designated Instructional Services: 60~~

~~B. B.~~ The District will provide monthly special education enrollment reports to the Association.

~~C. C.~~ Instructional Aide Time

Each special education teacher will be assigned aide time in direct support of that teacher's program as follows:

- ~~1. 1.~~ Teachers of severely handicapped students will have six (6) hours per day of aide time (not a specific aide).
- ~~2. 2.~~ Other special education teachers will have five (5) hours per day of aide time (not a specific aide).
- ~~3. 3.~~ Special education pre-school teachers and/or part-time special education teachers shall be allocated aide time equal to the number of the teacher's student contact hours (not a specific aide).
- ~~4. 4.~~ Circumstances ~~which~~that might necessitate modification to the aide hours set forth herein are:
 - ~~(a) (a)~~ Changes in state special education allocations ~~and~~/or changes in the rules for allocating aide time.
 - ~~(b) (b)~~ Should a situation occur where the ~~caseload~~case load of a non-SH SDC teacher falls below eight (8) students, the District shall provide no less than four (4) hours of aide time per day (not a specific aide) until such case load reaches eight (8) students.

~~D. D.~~ If self-contained Special Day Class students are mainstreamed, principals shall make ~~reasonable~~reasonably good faith efforts to assign them equitably among the appropriate classes.

Section 6 – Counselor Staffing

A. The formula for staffing of counselors at comprehensive high schools shall be a ratio of 675:1 based on student population, plus one (1) additional counselor per high school.

- B. The formula for staging of counselors at comprehensive middle schools shall be a ratio of 675:1 based on student population, plus an additional .5 counselor per middle school.
- C. In calculating the ratio, the student population shall be divided by 675. The result shall be rounded to the nearest whole number.
- D. The calculation of the student population shall be based on the final projected enrollment of students by school for the upcoming school year.
- E. The resultant number of counselors shall remain the same for the entire school year.

ARTICLE XIII - EMPLOYEE EVALUATION PROCEDURES

Section 1 - Evaluation Procedure:

- A. Every non-permanent and Preschool/Headstart Program ~~Teachers~~Teacher shall be evaluated by ~~such~~the employee's evaluator in writing at least once each school year no later than sixty (60) calendar days prior to the end of the employee's instructional year. (See Article XXV for Continuous School Program [CSP] language) ~~),~~ which is suspended). Such employee shall have his/her first formal classroom observation prior to Winter Recess.
- B. Every permanent employee shall be evaluated by such employee's evaluator in writing at least every other year no later than thirty (30) calendar days prior to the end of the employee's instructional year. (See Article XXV for CSP language) ~~),~~ which is suspended). Permanent employees remaining in the same general assignment and receiving a meets or exceeds standards ~~on~~ the performance evaluation for one (1) year shall not normally be evaluated in the succeeding year. Such an employee may be scheduled for evaluation based upon justifiable reason(s) communicated to the employee in writing.
- ~~C. C.~~ By mutual agreement between the employee and the evaluator, the employee may be evaluated once every five (5) years ~~(5)~~ if the employee meets all of the following criteria:
1. The employee must have obtained permanent status as a certificated employee in ~~Riverside Unified School~~the District;
 2. The employee must have been employed as a certificated employee in the ~~Riverside Unified School~~ District for at least ten (10) years;
 3. The ~~employees~~employee's most recent evaluation has been rated meets or exceeds standards of performance;
 4. If the employee teaches in a core academic subject area as defined by the No Child Left Behind (NCLB) Act, the employee must be identified as a Highly Qualified Teacher (HQT) in the subjects taught.

The evaluator or the employee may withdraw consent of this agreement prior to the date designated for the identification of the primary evaluator of the employee. Withdrawal of consent in accordance with this Article is not subject to the grievance process.

- ~~A.D. D.~~ —At any time an evaluator believes the employee's performance does not meet standards of performance, the evaluator shall notify the employee in writing ~~of such fact,~~

describe the nature of the performance, make specific recommendations for improvement, provide for classroom

observation, if applicable, and allow sufficient time for improvement. The evaluator shall meet with the employee if such request is made.

~~E.~~ ~~E.~~ An employee will have only one (1) primary evaluator, who shall be designated by October 15 (See Article XXV for CSP language, which is suspended).

~~H.~~ ~~F.~~ Except as provided in this Agreement with respect to the Article XVIII “Peer Assistance and Review ~~program~~” (PAR), employees shall not be required to participate in the evaluation and/or observation of other employees and shall not be required to assess their own performance.

~~G.~~ ~~G.~~ The District shall evaluate and assess non-teaching employee competency with respect to any matters as it relates to each of the following:

- ~~1.~~ ~~1.~~ Adherence to established procedures.
- ~~2.~~ ~~2.~~ Fulfillment of responsibilities to students, parents, and staff.
- ~~3.~~ ~~3.~~ Demonstrated knowledge and skills of the assignment.

Non-teaching staff are those members without teaching assignments included in their daily schedule: ~~Counselors, Categorical Program Specialists, School Nurses, Psychologists, Staff Development Specialists, such as counselors, school nurses, psychologists, staff development specialists~~ and ~~Teacher~~ teachers on ~~Special Assignments~~ special assignment.

~~H.~~ ~~H.~~ The District shall evaluate and assess teaching employee competency as it relates to the ~~Riverside Unified School~~ District Standards for the Teaching Profession listed below and in Section 4B:

- Standard I - Engaging and supporting all students in learning;
- Standard II - Creating and maintaining effective environments for student learning ;
- ~~Standard III~~ - Understanding and organizing subject matter or student learning ;
- ~~Standard IV~~ - Planning instruction and designing learning experiences for all students ;
- ~~Standard V~~ - Assessing student learning and progress
- Standard VI - Developing as a professional educator;

1. The evaluation of first-year temporary and probationary unit member employees shall address all standards and elements and shall provide summative evidence for standards I, II, and IV.
2. The evaluation of second ~~—~~ year temporary and probationary unit member employees shall address all standards and elements and shall provide summative evidence for

standards I - V.

3. The evaluation of permanent and continuing temporary ~~unit member~~employees shall address all six ~~standards and elements providing summative evidence as appropriate.~~ (6) standards and elements and shall provide summative evidence as appropriate.
- ~~4.~~4. The evaluation of ~~unit member~~employees, pursuant to this Article, may include, as permitted by Education Code 44662, the progress of pupils toward the standards of expected student achievement at each grade level in each area of study and, if applicable, the progress of

~~4.~~ pupils toward state-adopted content standards as measured by state-adopted criterion-referenced assessments. Such evaluation and assessment shall not include the use of publisher's norms established by standardized tests.

5. ~~Unit members~~Employees who receive a majority of does not meet standards of performance ratings in the elements of a ~~standard~~Standard (as numbered below in Section ~~4.B4B~~) may be rated as does not meet standards of performance in that Standard. Such rating on a ~~standard~~Standard must include a recommendation and assistance statement by the designated evaluator. ~~Unit members~~Employees who receive two (2) or more does not meet standards of performance rating on the ~~standards~~Standards may receive an overall does not meet standards of performance evaluation.

~~I. I.~~The District shall evaluate Preschool/Headstart Program Teachers' competency as it relates to program requirements.

~~J. J.~~Classroom visitation shall occur if the employee's classroom performance is to be evaluated.

~~1. 1.~~—Formal Observations

~~(a) (a)~~—Probationary and temporary employees shall be observed in classroom performance a minimum of two (2) times for at least twenty (20) minutes duration. Both of these observations shall be announced at least two (2) days in advance. At least one (1) day prior to each observation, the employee shall provide to the evaluator a statement of the lesson objective(s), including strategies that will be used during the observation period.

~~(a)(b) (b)~~—Permanent employees shall be observed in classroom performance a minimum of one

~~(1) -(1)~~time for at least twenty (20) minutes duration. This observation shall be announced at least two (2) days in advance. At least one (1) day prior to each observation, the employee shall provide to the evaluator a statement of the lesson objective(s), including strategies that will be used during the observation period.

~~(c) (c)~~—If the evaluator finds the classroom performance meets or exceeds standards, the evaluator shall inform the evaluatee of such in the form of an informal memo or conference.

~~(d) (d)~~—A follow-up conference between the evaluatee and the evaluator shall occur within five (5) ~~workdays~~work days following a classroom observation if the evaluator has noted deficiencies.

~~(e) (e)~~—If more than three (3) formal observations are needed, the evaluatee shall receive written notification stating specific concerns and the need for remediation.

2. ~~2.~~—Informal Classroom Visitations

—Nothing herein is intended to preclude an evaluator from making classroom visitations in addition to those described above.

~~K. K.~~ Prior to any written evaluation in which the employee's performance does not meet standards of performance, specific recommendations for improvement shall be made to the employee in writing and sufficient time for improvement shall be provided. The employee's evaluator should provide direct assistance to the employee in correcting any noted deficiencies in the performance of the employee. Such assistance could include peer observation and counseling.

~~L. L.~~ The employee being evaluated shall sign and be given a copy of the evaluation made on the employee's performance. The signing of the report shall not necessarily indicate that the employee is in agreement with the evaluation, but only that the employee has received it. The employee shall have the right to have attached to the copy of evaluation, which is placed in the employee's personnel file, any written comments the employee desires.

Section 2 - Commission on Professional Competence—

The District shall release employees who are chosen to serve on a Commission on Professional Competence in accordance with the Education Code.

Section 3 - Criticism of Employees—

Under normal circumstances, no employee shall be reprimanded in front of students or in public, and no employee shall criticize an administrator in front of students.

Section 4 - Required Areas of Evaluation—

Each area in the evaluation process is illustrated by elements. These elements are not intended as all inclusive, nor are they expected to be addressed in all evaluations, but are a point of reference and provide a direction under each of the main headings in Article XIII, Section 1, ~~F & G. —Preschool/Headstart Program Teachers will be evaluated in accordance with program requirements.~~ G &

~~A.—H. —Preschool/Headstart Program Teachers will be evaluated in accordance with program requirements.~~

A. Non-Teaching Staff

1. —1. —Adherence to Established Procedures

~~(a) —(a) —Implements developed services and programs~~

~~(b) —(b) —Plans for and implements school-wide procedures and Board policy~~

~~(c) —(c) —Maintains required records accurately and in a timely manner~~

~~(d) —(d) —Follows appropriate channels on school and district matters~~

~~2.~~ ~~2.~~ Fulfillment of Responsibilities to Students, Parents, and Staff

~~(a)~~ ~~(a)~~ Assists other staff with identified student needs

~~(b)~~ ~~(b)~~ Completes tasks and carries out responsibilities in a timely manner

- ~~(c)~~ _____ ~~(e)~~ —Is accessible to staff, students, and parents
- ~~(d)~~ ~~(d)~~ —Communicates effectively with parents, students, and staff
- ~~(e)~~ _____ ~~(e)~~ —Discreet in the use of confidential information
- ~~(f)~~ _____ ~~(f)~~ —Works cooperatively with staff

~~3.~~ ~~3.~~ —Demonstrated Knowledge and Skills of the Assignment

- ~~(a)~~ ~~(a)~~ —Maintains current knowledge related to assignment and utilizes in the best interest of students
- ~~(b)~~ ~~(b)~~ —Demonstrates knowledge related to assigned responsibilities
- ~~(c)~~ ~~(e)~~ —Plans work systematically throughout the year
- ~~(d)~~ ~~(d)~~ —Fulfills adjunct duties and responsibilities

B. Teaching Staff

STANDARD I

~~1.~~ ~~1.~~ —Engaging and Supporting All Students in Learning

- 1.1 Connecting students' prior knowledge, life experience, and interests with learning goals
- 1.2 Using a variety of instructional strategies and resources to respond to students' diverse needs
- 1.3 Facilitating learning experiences that promote autonomy, interaction and choice
- 1.4 Engaging students in problem solving, critical thinking and other activities that make subject matter meaningful
- 1.5 Promoting self-directed, reflective learning for all students

STANDARD II

2 Creating and Maintaining Effective Environments For Student Learning

- 2.1 Creating a physical environment that engages all students
- 2.2 Establishing a climate that promotes fairness and respect
- 2.3 Promoting social development and group responsibility
- 2.4 Establishing and maintaining standards for student behavior
- 2.5 Planning and implementing classroom procedures and routines that support student learning
- 2.6 Using instructional time effectively

STANDARD III

3. Understanding and Organizing Subject Matter For Student Learning

- 3.1 Demonstrating knowledge of subject matter content and student development

3.2 Organizing curriculum to support student understanding of subject matter

- 3.3 Interrelating ideas and information within and across subject matter areas
- 3.4 Developing student understanding through instructional strategies that are appropriate to the subject matter
- 3.5 Using materials, resources and technologies to make subject matter accessible to students

STANDARD IV

4. Planning Instruction and Designing Learning Experiences For All Students
 - 4.1 Drawing on and valuing students' backgrounds, interests, and developmental learning needs
 - 4.2 Establishing and articulating goals for student learning
 - 4.3 Developing and sequencing instructional activities and materials for student learning
 - 4.4 Designing short-term and long-term plans to foster student learning
 - 4.5 Modifying instructional plans to adjust for student needs

STANDARD V

5. Assessing Student Learning and Progress
 - 5.1 Establishing and communicating learning goals for all students
 - 5.2 Collecting and using multiple sources of information to assess student learning
 - 5.3 Involving and guiding all students in assessing their own learning
 - 5.4 Using the results of assessments to guide instruction
 - 5.5 Communicating with students, families and other audiences about student progress
 - 5.6 Demonstrating progress towards the attainment of grade-level academic standards as evidenced by results from multiple performance measures

STANDARD VI

6. Developing as a Professional Educator
 - 6.1 Reflecting on teaching practice and planning professional development
 - 6.2 Establishing professional goals and pursuing opportunities to grow professionally
 - 6.3 Working with communities to improve professional practice
 - 6.4 Working with families to improve professional practice
 - 6.5 Working with colleagues to improve professional practice
 - 6.6 Adhering to district and school professional standards

ARTICLE XIV PERSONNEL FILES

Section 1 Filing Procedures

The District shall not base any adverse action against an employee upon materials originated or received by the District ~~which~~that are not contained in such employee's personnel file. Notwithstanding the foregoing, materials from law enforcement agencies related to offenses that are in violation of Education Code sufficiently serious to cause suspension from duty shall be relevant and admissible in actions initiated by the District against such employee.

Section 2 Derogatory Material

An employee shall be provided any derogatory material before it is placed in the employee's personnel file. An employee shall also be given an opportunity to prepare a written response to such material. The written response shall be attached to the material.

Section 3 Inspection

Upon written authorization by the employee, a representative of the Association shall be permitted to examine and/or obtain copies of materials in such employee's personnel file.

Section 4 Identification

The person or persons who draft and place material in an employee's personnel file shall be identified by name on the material. The date ~~on which such~~the material was drafted must be indicated.

Section 5 Log

The District shall keep a log indicating the persons who have requested to examine a personnel file, excluding employees of the ~~Human Resources Office~~Department of Personnel, as well as the dates such requests were made. Such log shall be available for examination by the employee or Association representative, if so authorized by the employee.

Section 6 Access

The District shall maintain the employee's personnel files at the District's central office. Access to personnel files shall be limited to the District on a need to know basis.

Section 7 Positive Material

When an employee is requested by the District to write or produce curriculum materials or holds status as a Mentor Teacher, the employee may have placed in the employee's personnel file a self prepared summary of the employee's work. Upon the employee's request, the ~~supervisor~~site administrator involved in the request that the work be performed, shall approve and initial the employee's self prepared summary before it is placed in the employee's personnel

| file.

ARTICLE XV -- TRANSFERS

Section 1 -- Definition.--

Transfer shall mean a change of employee assignment that results in a change of the employee's assigned ~~worksite~~work site without a change in classification. Transfers may be either voluntary or involuntary.

Section 2 -- Voluntary Transfers:

~~A.~~ ~~A.~~ A voluntary transfer is one ~~which~~that is sought by an employee. Qualifications for the position being equal, when a position is being filled by transfer, priority shall be given to the senior employee within the District.

~~B.~~ ~~B.~~ The filing of a request for transfer shall not jeopardize the employee's current assignment. A request for transfer may be withdrawn by the employee at any time, unless a commitment for replacement has been made by the District.

~~C.~~ ~~C.~~ If a voluntary transfer request is denied, the employee shall be provided with the specific reasons for the denial in writing.

D. If a voluntary transfer occurs during the school year, the District shall provide the employee with up to two (2) ~~workdays~~work days of release time to move and prepare for the new assignment. This section does not apply to voluntary transfers that take place during the summer break or off-duty days (CSP-), as referenced in Article XXV, which is suspended.

E. Voluntary transfers during the school year are not available to probationary, categorical, and other temporary ~~bargaining unit member~~employees until they have been employed at least two (2) complete consecutive school years in the District. An eligible ~~bargaining unit member~~employee may be granted a voluntary transfer only once per school year, regardless of whether the transfer is effective at the beginning of or during that school year.

F. Voluntary transfers are not available to ~~a bargaining unit member~~an employee whose overall performance level on their most recent evaluation has been marked does not meet standards of performance. This restriction may be waived upon mutual agreement of the District and the Association.

Section 3 – Involuntary Transfers:

A. ~~A.~~ An involuntary transfer is any transfer not sought by the employee transferred. Such transfers shall not be punitive or disciplinary in nature. They shall be based exclusively on the legitimate educational related needs of the District.

B. ~~B.~~ The District may make involuntary transfers at any time for only the following reasons:

1. ~~1.~~ Declining enrollment.
2. ~~2.~~ Fluctuations in pupil enrollment. An overstaffed or surplus situation may be deemed to exist when the number of teachers present in a given school, after the beginning of the school year, exceeds the ratios established by Article XII (~~Staffing~~-Class Size).
3. ~~3.~~ Requirements of the District's Affirmative Action program.
4. ~~4.~~ Performance renewal—~~A teacher.~~ An employee may be involuntarily transferred no more than once every three (3) years in order to improve performance, if the deficiencies in performance have been reflected in the most recent official written evaluation of the ~~teacher~~employee.
5. ~~5.~~ Certification adjustment—~~A teacher.~~ An employee may be transferred if it is determined that the assignment is in violation of credential authorization or No Child Left Behind provisions.
6. ~~6.~~ The educational needs of the District are limited to the following: the District's Bilingual Program requirements, categorically--funded program requirements, Special Education Program requirements; and changes in graduation requirements.

C. ~~C.~~ In making involuntary transfers, seniority and the wishes of the individual ~~teacher~~employee will be honored to the extent that these considerations do not conflict with the criteria in Section ~~3(B)~~3B above.

D. ~~D.~~ At least five (5) days prior to making an involuntary transfer, the District shall inform the employee in writing of District intent to transfer the employee and the reasons for the intended transfer.

E. ~~E.~~ 1. The District shall provide an involuntarily transferred ~~teacher~~employee with up to two (2) ~~workdays~~work days of release time, at ~~teacher~~employee request, to move and prepare for the new assignment. This will apply during the work year and to any such transfer where the employee is notified within five (5) days of the commencement of such work year. The District shall transport the ~~teacher's~~employee's materials to the new ~~worksit~~work site.

2. Upon request, the District shall provide ~~a teacher~~an employee up to one (1) ~~workday~~work day of released time when the ~~teacher~~employee is given a permanent reassignment of room during the school year.

~~F. F.~~ Employees to be involuntarily transferred shall have the right to indicate preferences from a list of vacancies, if such vacancies exist. Such employees, if qualified, shall have preference over those employees seeking voluntary transfer, in regard to choice among those positions ~~which~~that are vacant.

~~G. G.~~ Prior to making an involuntary transfer, the District shall first ask for qualified volunteer(s). In the event a transfer is effectuated under this provision, Section ~~3(E)~~3E shall be applicable and these volunteers shall be included under the provisions of Section ~~3(F)~~3F.

~~H. H.~~ If possible, an involuntary transfer of the same individual shall not occur more than once every three (3) years. This provision shall take precedence over Section ~~3(E)~~3C above.

~~I. I.~~ Involuntary transfers are not available to ~~a bargaining unit member~~an employee whose overall performance level on their most recent evaluation has been marked does not meet standards of performance. This restriction may be waived upon mutual agreement of the District and the Association.

Section 4 – Administrative Transfers.

Under extraordinary circumstances, after conferring with the employee and the Association, the Superintendent or Superintendent's designee may transfer an employee for reasons other than the criteria in Section ~~3(B)~~3B above. Such transfers shall be limited to no more than two (2) occurrences in any school year, and shall not be for punitive or disciplinary reasons. The provisions of Sections ~~3(D), 3(E), 3D, 3E~~ and ~~3(F)~~3F shall apply when effectuating an administrative transfer.

Section 5 – Posting of Vacancy Notices.

Vacancy notices for any positions included in the bargaining unit covered by this Agreement shall be posted at each ~~worksite~~work site on the Association bulletin board prior to filling the vacancy. This provision will apply for the regular ~~September-June~~ academic year at traditional sites, and will apply year- round at CSP sites. Vacancy notices published during the summer will be available ~~in~~on the ~~Human Resources Office for perusal. During the summer recess, until July 15, such notices shall be mailed to the home address~~Department of ~~any employee who has filed a request for transfer and has submitted a written request for such notices~~Personnel website.

Section 6 - Assignment/Reassignment.

A. ~~A.~~ Assignment means the subject, grade level, track, classes, and/or duties ~~a unit member~~ an employee is designated to perform by his/her immediate supervisor.

B. ~~B.~~ Reassignment means a change of assignment within a school.

C. ~~C.~~ Involuntary Reassignment.

1. ~~1.~~ ~~Unit members~~ An employee may be involuntarily reassigned when it is deemed necessary by the ~~immediate supervisor.~~ site administrator. An involuntary reassignment shall be based upon the following criteria:

(a) ~~(a)~~ — The demonstrated needs and efficient operation of the school and/or program.

(b) ~~(b)~~ — The qualifications, including the experience and recent training of the ~~unit member~~ employee.

(c) ~~(c)~~ — ~~Unit member~~ Employee certification and authorization.

(d) ~~(d)~~ — The preferences of the ~~unit member~~ employee.

2. ~~2.~~ Involuntary reassignments shall not be made for punitive reasons.

3. ~~3.~~ Involuntary reassignment between primary (K-3) and intermediate (4-6) grades or interdepartmental reassignments shall be for legitimate reasons only.

4. ~~4.~~ When a grade level change is made that is more than two (2) grade levels above or below current assignment, the District shall provide that ~~teacher~~ employee with two (2) days of release time to observe in other classes of similar assignment within a mutually agreed upon time or to conduct other preparation activities.

D. ~~D.~~ Tentative elementary grade level assignments shall be received no later than May ~~15th~~ 15 of the current school year. Secondary tentative assignments for the next school year shall be received no later than August ~~1st~~ 1.

ARTICLE XVI – LEAVES

Section 1 – ~~Leave Provision.~~

The benefits ~~which~~that are expressly provided by Article XVI are the sole leave benefits ~~which~~that are part of this ~~collective bargaining~~ Agreement.

Section 2 – ~~Definitions.~~

~~A.~~ A. "Paid Leave of Absence" means that an employee is entitled to receive ~~wage~~wages and fringe benefits except as otherwise noted in this Agreement. Employees who are granted a ~~paid leave~~Paid Leave of ~~absence~~Absence for a semester or less will be returned to the assignment held by the employee prior to the commencement of the leave. Employees who are granted a ~~paid leave~~Paid Leave of ~~absence~~Absence for more than a semester will be returned to a position of like status and benefits. Employees on paid leave will receive credit for annual salary increments provided during this leave.

~~B.~~ B. "Unpaid Leave of Absence" means that an employee shall not receive wages and fringe benefits during the period of leave. However, the District will continue health benefits only, for thirty (30) days beyond the date ~~on~~~~which~~that the unpaid leave commences. After thirty (30) days, payments for health benefits by the District will cease. Employees who are granted unpaid leaves for more than a semester will be returned to a position of like status and benefits upon completion of procedures indicating the willingness of the employee to return. Employees on unpaid leaves will not receive credit for annual salary increments provided during the leave.

~~C.~~ C. ——— Employees who no longer have any sick leave benefits, ~~and~~~~who~~ have failed to request a leave and are on an unpaid status, shall not receive wages and fringe benefits during their period of unpaid status. However, the District will continue health benefits only for thirty (30) days beyond the date that the unpaid status commences. After thirty (30) days, payments for health benefits by the District will cease. Employees on unpaid status will not receive credit for annual salary increments provided during this period.

~~D.~~ D. At least two (2) weeks prior to the end of any unpaid leave of thirty (30) or more calendar days, the employee on leave must submit in writing to the ~~Human Resources~~Department of Personnel Office notice of the employee's intent to return to work, or a request for further leave; or a letter of resignation.

Section 3 – Sick Leave:

A. ~~A.~~ All employees employed on a ten- ~~(10)~~ month basis shall earn ten (10) days of ~~sick leave~~ Sick Leave per school year. Employees on eleven (11) month contracts shall earn eleven (11) days ~~sick leave~~ of Sick Leave per year; and those employees on a twelve (12) month contract shall earn twelve (12) days of ~~sick leave~~ Sick Leave per year.

B. ~~B.~~ A regular employee serving as a summer school employee for no less than fourteen (14) days shall receive one (1) additional day of ~~sick leave~~ Sick Leave per year if employed for a full summer school day or one-~~half~~ ~~(1/2)~~ (1/2) additional day if employed for one-~~half~~ ~~(1/2)~~ (1/2) a summer school day or half of the session. Counselors shall receive one (1) additional ~~sick leave~~ Sick Leave day per year if employed not less than fifteen (15) days beyond their regular work year.

C. ~~C.~~ Summer School: Summer school employees may not use more than one (1) day of ~~sick leave~~ Sick Leave during the summer session and will not be eligible for any other leaves in this Article. Unused summer ~~sick leave~~ Sick Leave shall be credited to the employee's regular sick leave balance.

D. ~~D.~~ Sick ~~leave~~ Leave shall be cumulative.

E. ~~E.~~ On the first day of every school year, every employee shall receive a ~~sick leave~~ Sick Leave allotment credit equal to the employee's ~~sick leave entitlement~~ Sick Leave entitlement for the school year. An employee may use such credited ~~sick leave~~ Sick Leave at any time during the school year.

F. ~~F.~~ Employees who work less than full-time (day or year) shall earn ~~sick leave~~ Sick Leave on a basis proportional to that of a full-~~time~~ employee in a similar position.

G. ~~G.~~ Accrued ~~sick leave~~ Sick Leave shall be reduced only for time lost wherein the employee would otherwise be required to render service to the District.

A.H. ~~H.~~ —The District may require a physician's statement when an employee is absent for six (6) or more consecutive days. When such verification is required of a ~~sick leave~~ Sick Leave less than six (6) days, the District may only require the verification for good cause. In those cases where an employee is aware that ~~such employee~~ he/she will be absent for twenty (20) days or more, the employee shall notify the ~~immediate supervisor~~ site administrator of the situation and provide the District with a statement from the employee's

physician confirming the disability and prognosis and an estimate of the anticipated term of absence. When that term is indefinite, a subsequent statement may be required by the District. In such cases and prior to the employee's return to ~~such employee's~~his/her assignment, a statement from the physician verifying the employee can return to the

employee's assignment, without detriment to health, must be submitted to the ~~immediate supervisor~~site administrator upon return of duty. The ~~supervisor~~site administrator will forward the information to the ~~Human Resources~~Department of Personnel Office. At District expense, the District may require a statement from a physician of its choice verifying the employee's ability to perform the tasks entailed in the employee's assignment.

~~I. I.~~—An employee who uses ~~sick leave~~Sick Leave, in order to keep an appointment with a physician or dentist, will have the time absent charged to ~~sick leave~~Sick Leave unless the time absent is after the time of the last regularly scheduled student dismissal during a normal school day, or is prior to the beginning of the regular school day or in the last hour of a non--instructional employee's ~~workday~~work day. Such leave shall not interfere with regularly scheduled faculty meetings or duty responsibilities, and the employee shall notify the ~~supervisor~~site administrator in advance of such an appointment. The District may only require verification of the employee's attendance at the appointment for good cause.

~~J. J.~~—An employee may utilize ~~sick leave~~Sick Leave for disabilities caused or contributed to by pregnancy and recovery ~~there from~~.

~~K. K.~~—If an employee is quarantined by the County or City Health Department of his/her county or city of residence because of the illness of another person, the absence shall be a paid leave and shall not be charged to ~~sick leave~~Sick Leave. In all other circumstances involving quarantine, the employee shall use ~~sick leave~~Sick Leave. In all cases, the District shall require that the employee provide written verification of quarantine and the dates thereof from the controlling agency. Without such verification, the absence may be unpaid.

~~L. L.~~—The District shall provide each employee with a written statement of the employee's total accrued ~~sick leave~~Sick Leave, including the ~~sick leave~~Sick Leave entitlement for the school year. Such statement shall be provided no later than November 1 of each school year.

~~M. M.~~—When an employee has used all or a portion of the ~~sick leave~~Sick Leave allowable and subsequently fails to serve the District for the full school year, an appropriate dollar amount shall be deducted from the employee's final salary warrant. The appropriate amount shall equal the employee's daily rate of pay times the number of ~~sick leave~~Sick Leave days used but unearned.



N. ~~N.~~ Extended Illness Leave

1. During each school year, when ~~a bargaining unit member~~ an employee has exhausted all available ~~sick leave~~ Sick Leave, including all accumulated ~~sick leave~~ Sick Leave and continues to be absent from his-~~or~~-her duties on account of illness or accident for an additional period of five (5) school months, whether or not the absence arises out of or in the course of the employment of the ~~bargaining unit member, employee,~~ the amount deducted from the salary due him-~~or~~-her for any of the additional five (5) months, in which the absence occurs, shall not exceed the amount paid for a substitute employee, employed to fill his-~~or~~-her position during ~~this or his~~ her absence, but in no case shall this amount be less than fifty ~~per cent~~ percent (50%) of the ~~employee's~~ employee's regular salary.
2. For purpose of ~~section one~~ Section 1 above:
 - (a) The ~~sick leave~~ Sick Leave, including accumulated ~~sick leave~~ Sick Leave, and this five (5) month period shall run consecutively.
 - (b) ~~A bargaining unit member~~ An employee shall not be provided more than one five (5) month period per illness or accident. However, if a school year terminates before the five- (5) month period is exhausted, the ~~bargaining unit member~~ employee may take the balance of the five- (5) month period in the subsequent school year.
3. This ~~section~~ Section shall be applicable whether or not the absence from duty is by reason of a leave of absence granted by the District.
4. When ~~a bargaining unit member~~ an employee has exhausted all available ~~sick leave~~ Sick Leave, including accumulated ~~sick leave~~ Sick Leave, and continues to be absent on account of illness or accident for a period beyond the five- (5) month period provided pursuant to Ed. Code #44977, and the ~~member~~ employee is not medically able to resume the duties of his-~~or~~-her position, the ~~member~~ employee shall, if not placed in another position, be placed on a re-employment list of twenty-four (24) months, if the ~~member~~ employee is on probationary status, or for a period of thirty-nine (39) months if the ~~member~~ employee is on permanent status. When the ~~bargaining unit member~~ employee is medically able, during the ~~twenty-four~~ (24) or ~~thirty-nine~~ (39) month period, the ~~member~~ employee shall be returned to employment in a position for which he-~~or~~-she is credentialed and qualified. The ~~twenty-four~~ (24-) month or ~~thirty-nine~~ (39-) month period shall commence at the expiration of the five ~~4-~~(5) -month period provided pursuant to Ed. Code #44977.

Section 4 – Industrial ~~Illness and Accident~~ or Illness

Employees shall be granted paid leave for absences caused by ~~industrial accidents or illnesses~~. Industrial Accidents or Illnesses. Employees are covered by Workers' Compensation Insurance for any injury or illness arising out of, and in the course of, their employment.

A. ~~A.~~ Total allowable ~~leave~~Leave shall be sixty (60) days during which the schools are required to be in session or when the employee would otherwise have been performing work for the District.

B. ~~B.~~ Leave will begin on the first day of absence after the date of injury.

C. ~~C.~~ Industrial ~~injury/illness leave~~Accident or Illness Leave must be authorized in writing by a physician.

D. ~~D.~~ Industrial ~~accident/illness~~Accident or Illness leave shall be reduced by one (1) day for each day of authorized absence.

E. ~~E.~~ An employee shall be deemed to have recovered from an ~~industrial accident/illness~~Industrial Accident or Illness and thereby able to return to work with reasonable accommodation at such time as the attending physician verifies there has been a recovery. The District, at its own expense, may request the opinion of another physician.

F. ~~F.~~ During the first sixty (60) days of ~~industrial injury/illness leave~~Industrial Accident or Illness Leave, the injured employee shall be paid his full salary.

G. ~~G.~~ When an ~~industrial accident/illness leave~~Industrial Accident or Illness Leave overlaps into the next fiscal year, the employee shall be entitled to only the amount of unused ~~leave~~Leave due such employee for the same illness or injury.

H. ~~H.~~ When entitlement to ~~industrial accident leave~~Industrial Accident or Illness Leave has been exhausted, all ~~sick leave~~Sick Leave benefits accrued as an employee may commence, in accordance with this Agreement.

I. ~~I.~~ Following the expiration of the ~~sixty (60-)~~ day Industrial Accident or Illness Leave, regular ~~sick leave~~Sick Leave may be used. If the employee receives ~~workers' compensation~~Workers' Compensation benefits while on ~~sick leave~~Sick Leave, such employee will receive that portion of ~~sick leave~~Sick Leave pay which, when added to the temporary disability benefit, will equal the employee's regular salary.

A.J. ~~J.~~—During periods of ~~injury~~accident or illness, any employee receiving benefits as a result of this ~~section~~Section shall remain within the State of California. Approval for travel outside the state must

be obtained from the District. Failure to obtain such approval may result in a loss of benefits as provided in this ~~section~~-Section.

~~K.~~ K. An employee report of ~~industrial-accident~~Industrial Accident or ~~illness~~Illness must be on file in the ~~Human Resources~~Department of Personnel Office.

~~L.~~ L. Modified Work Program. When an employee with an ~~industrial-accident~~Industrial Accident or ~~injury~~Illness is determined by the attending physician to be able to return to work with restrictions, the following shall occur:

- ~~1.~~ 1. A conference will be held to include the employee, the employee's ~~supervisor~~site administrator and a representative of the ~~District-Employee-Services~~Risk Management Office to determine if the employee can return to his/her regular job within the restrictions. ~~A-RCTA~~An Association representative shall be present if requested by the employee.
- ~~2.~~ 2. If it is determined by the ~~Administrator, Employee Services, site administrator and~~ Risk Management that the employee cannot perform his/her regular assignment, consideration will be given to a modified position within the restrictions at the regular work site, ~~which that~~ the employee could fill on a temporary basis.
- ~~3.~~ 3. Should no appropriate assignment be available at the employee's regular ~~worksite~~work site, a temporary assignment within the restrictions will be identified elsewhere in the District for the employee. The employee shall be entitled to twenty-four (24) hours notice prior to beginning an assignment. A different assignment on the following work day would only require notification prior to the end of the current ~~workday~~work day.
- ~~4.~~ 4. Refusal of an assignment within the physician's restrictions will stop leave eligibility if the assignment is the same as the employee's regular assignment.
- ~~5.~~ 5. The employee shall not be required to work a temporary assignment if it is for less than the employee's regular assignment.
- ~~6.~~ 6. The employee shall be paid the same rate of pay as though the employee was working the employee's normal assignment.
- ~~7.~~ 7. The Modified Work Program will be ~~reduced to writing~~written and signed by all parties.

Section 5 – Health Leave-

A. ~~A.~~ An employee shall be granted a leave of absence without pay for reasons of health. Such leave will be for a period no longer than one (1) year. A Statement of Need by a physician is required with the written request. The District may obtain, at District expense, the opinion of a physician chosen by the District. Probationary or ~~tenure~~permanent status

of an employee requesting Health Leave will not be affected if the provisions for request are fulfilled. An

employee may be granted, upon request, a shorter period of leave if such is considered by the District to be in its interest, and such leave is consistent with the Statement of Need.

B. ~~B.~~The employee shall notify the District of the employee's intended return date at least two (2) weeks in advance of the expiration date of the leave. Failure to provide such notice may be cause for termination.

C. ~~C.~~The request to return from a Health Leave shall be accompanied by a statement from the employee's physician indicating that the employee can return to full--time employment without detriment to the employee's health. The District may request, at District expense, the opinion of a physician chosen by the District.

D. ~~D.~~An employee on Health Leave for twelve (12) months or more shall be placed on a ~~reemployment re-~~ employment list at the expiration of the Health Leave. Such an employee will remain eligible for ~~reemploymentre-employment~~ for thirty--nine (39) months. At the end of that period, the employee's employment rights shall end. Should the employee be able to return to work during the thirty--nine (39) month period, the employee will be returned to regular status, upon request, at the beginning of the next school year, or earlier if a position exists for which the employee is qualified.

Section 6 -- Maternity Leave--

Absence from the job for disabilities caused or contributed to by pregnancy and recovery ~~there from~~ are treated the same as any other short-term or long-term temporary disability or illness.

A. ~~A.~~Pregnant employees do not need to provide the District with a physician's statement to remain on the job at any time prior to childbirth, unless the employee's performance of duties is affected by her condition.

B. ~~B.~~Paid Sick Leave may be used for absence due to pregnancy. Absence preceding childbirth which exceeds six (6) days may require a physician's statement. Absence for six (6) weeks or less following the birth does not require a physician's statement; absence which exceeds six (6) weeks will require a physician's statement for the employee to continue to be eligible for sick leave status. If accrued ~~sick leave~~Sick Leave is exhausted during the period of sick leave eligibility, the employee will receive extended sick leave benefits of not less than half pay.

A.C. ~~C.~~ For normal pregnancy, most physicians release employees to return to work no later than six
(5)(6) ~~(6)~~ weeks after childbirth. Generally, in the absence of a physician's statement that the

employee's condition would prevent her from returning to work, the ~~Human Resources~~Department of Personnel Office will assume that six (6) weeks after childbirth the employee is no longer "disabled" and is, therefore, no longer eligible for sick leave benefits. Should the employee wish to remain off work for a longer period of time for such purposes as child rearing, nursing, illness of the child and the like, an application for Parenthood Leave, which is an unpaid leave, should be submitted to the ~~Human Resources~~Department of Personnel Office. Such leave is normally granted for not less than a semester or for the remainder of the semester in which it begins. An application for Parenthood Leave prior to childbirth should request that the leave begin "at the expiration of sick leave benefits."

Section 7 – Parenthood Leave.

~~A.~~ A. At any time during the eight (8) months prior to becoming a parent or within thirty (30) days thereafter, an employee who is not eligible for or does not wish to use ~~sick leave~~Sick Leave for pregnancy may be granted an unpaid leave of absence under this ~~section~~Section. The employee's request shall be made in writing at least ten (10) school days prior to the anticipated starting date of the leave.

~~B.~~ B. A leave under this section shall normally be granted for not less than a full semester or for the remainder of the semester in which the request is filed. The District may grant a shorter leave when requested by the employee.

~~C.~~ C. If an employee is granted leave under this ~~section~~Section and, after the leave is granted, the employee desires to return to work prior to the end of the leave, the employee may request immediate reinstatement to a position of like status and benefits. The District shall grant such a request when there is a vacancy for which the employee is deemed qualified by the District. At the time the leave would normally have ended, the employee shall be reassigned to the position held at the time the leave was granted, provided that the staffing at the previous school has not been reduced.

Section 8 – Adopting Parents Leave.

Once ~~a bargaining unit member~~an employee has legal custody of an adopted child, he ~~or~~/she may use up to six (6) consecutive weeks of accrued ~~sick leave~~Sick Leave to bond with the child. If two ~~bargaining unit member~~employees are parents of the adopted child, only one is eligible for Adopting Parents Leave. Additional parental leave may be taken through Section 7 above.

Section 9 – Disability Leave:

A. ~~A.~~ Any employee receiving a disability allowance from the State Teachers' Retirement System shall be placed on an unpaid leave status for a period not to exceed thirty-nine (39) months. At the end of the thirty-nine (39) month period, the employee's employment rights will end.

B. ~~B.~~ If, during the thirty-nine (39) month period, the STRS determines that the disability no longer exists, the employee will be returned to regular status upon request at the beginning of the next school year.

Section 10 - Family Care and Medical Leave

The District shall comply with the requirements of the State ~~and Family Care and Medical Leave (CFRA) and~~ Federal Family Care and Medical Leave ~~Acts Act (FMLA)~~ pursuant to applicable State and Federal laws. The interpretation and implementation of these ~~Family Care and Medical Leave (FCML)~~ FMLA provisions shall not diminish any ~~contract contractual~~ benefits afforded all eligible employees.

Section 11 – Bereavement Leave:

A. ~~A.~~ A leave of absence with pay and without deductions from accumulated ~~sick leave~~ Sick Leave, not to exceed four (4) days, shall be granted to an employee when any member of the employee's immediate family dies. In the event of the death of an employee's spouse or dependent child, ~~said~~ leave shall be five (5) days. Two (2) additional days will be granted to an employee if travel of more than 200 miles one way or out of California is required because of the death of any member of the employee's immediate family.

B. ~~B.~~ Any additional days requested beyond those provided by the ~~bereavement leave~~ Bereavement Leave policy must be handled through the provisions under the section ; "Personal Necessity Leave."

C. ~~C.~~ 1. "Immediate Family" means those relatives or step-relatives bearing the following relationships to the employee claiming Bereavement Leave or to the employee's spouse or registered domestic partner.

Mother	Son	Brother	Grandparent	Grandchild
Father	Daughter	Sister	Aunt	Uncle
Spouse/Registered Domestic Partner	Niece	Nephew	Step Child	Son-in-law
Mother-in-law	Father-in-law	Sister-in-law	Brother-in-law	Daughter-in-law

2. Any person living in the employee's household shall be deemed to be a member of the immediate family.

~~D.~~ ~~D.~~—An employee may request approval from the ~~Human Resources~~Department of Personnel Office for ~~bereavement leave~~Bereavement Leave to be used in relation to the death of relatives not designated as immediate family. The decision of the ~~Human Resources~~Department of Personnel Office to grant or deny such approval shall be final.

Section 12 — Personal Necessity Leave.—

A regular full-time ~~teacher~~employee may elect to use his/her annual ~~accumulative illness or injury leave~~accumulated Sick Leave, not to exceed seven (7) days per school year.

~~A.~~ ~~A.~~ Personal Necessity shall include any of the following:

- ~~1.~~ ~~1.~~—The death or illness of a member of the employee's immediate family.
- ~~2.~~ ~~2.~~—An accident involving the employee's property or the person or property of a member of the employee's immediate family.
- ~~3.~~ ~~3.~~—Imminent danger to the home of an employee.
- ~~4.~~ ~~4.~~—An appearance of the employee in court as a litigant or as a witness under an official order.
- ~~5.~~ ~~5.~~—Recognized days of observance of an employee's personal faith.
- ~~6.~~ ~~6.~~—Attendance at the memorial service or funeral of a fellow employee when such service is scheduled during a regular ~~workday~~work day.
- ~~7.~~ ~~7.~~—Attending the high school or college graduation, or the middle school promotion of the employee's child, not to exceed one (1) day. Two ~~(2)~~ additional days will be granted to an employee if travel of more than ~~two hundred (200)~~ miles one way or out of California is required.
- ~~8.~~ ~~8.~~—The birth or adoption of a child.
- ~~9.~~ ~~9.~~—Other ~~personal necessity~~Personal Necessity must be approved by the site administrator and ~~Human Resources~~Department of Personnel.

~~B.~~ ~~B.~~—Limits and Conditions: The following limits and conditions are placed upon allowing a ~~personal necessity leave~~Personal Necessity Leave and ~~personal necessity leave~~Personal Necessity Leave pay:

- ~~1.~~ ~~1.~~—The days allowed shall be deducted from and may not exceed the number of ~~full-pay days~~ paydays of ~~sick leave~~Sick Leave to which the employee is entitled.
- ~~2.~~ ~~2.~~—Personal ~~necessity leave~~Necessity Leave shall not be granted during a scheduled vacation or a leave of absence.
- ~~3.~~ ~~3.~~—Payment for such absence shall be made only upon completion of a written report by the employee to the District stating that the absence was due to a situation designated as a personal necessity within the meaning of this section. The District may

deny the employee's request if the leave was not a personal necessity within the meaning of this section.

~~c.~~

Section 13 - Personal Business Leave

~~÷~~ Employees shall be eligible to use up to four (4) days of unrestricted ~~personal business leave~~ Personal Business Leave per each school year, to be deducted from any available ~~sick leave~~ Sick Leave days accrued.

Employees shall be required to give the District reasonable advance notice to use such ~~personal business leave~~ Personal Business Leave. Such days shall not be used to extend holidays or scheduled recesses, on track change days as referenced in Article XXV, which is suspended, or on any student release day.

Section 13-14 - Unpaid Personal Leave.

A. ~~A.~~ The District may grant an unpaid leave of absence of a year or less to a ~~tenured~~ permanent employee requesting such leave for personal reasons if the reasons stated are considered valid by the District. The decision of the District shall be final.

B. ~~B.~~ Application for an unpaid leave of absence of any length must be made to the ~~Human Resources~~ Department of Personnel Office. An employee who accepts a position in another district while on unpaid leave may be terminated.

C. ~~C.~~ An employee granted an ~~unpaid personal leave~~ Unpaid Personal Leave by the District may purchase any insurance plan he/she has in force the day before the leave begins unless the carrier of the employee's insurance plan prohibits such sale. The period for which such purchase may be made shall be subject to the carrier's limitations.

Section 14-15 - Jury Duty Leave.—

When an employee is on jury duty, that employee shall receive his/her regular earnings, provided that the employee reimburse to the District the jury duty fees received by the employee. The employee may retain any mileage reimbursement. The employee will be released from work without loss of pay for the required hours of jury service. When an employee is selected to serve on a jury, which is expected to serve for more than two (2) weeks, the District will make reasonable efforts to secure an appropriate substitute who will serve for such period in an attempt to provide continuity for the class assigned to the teacher on leave. If an employee is serving jury duty and has been released for part of a day, the employee shall report immediately to his-~~or~~-/her supervisor site administrator and continue service for the remainder of the ~~workday~~ work day, unless such release is after 1:30 p.m. The District and the Association shall recommend to all District employees that they request that jury duty service be deferred to non-~~work~~ work days.

Section ~~15-16~~ - Court Appearance Leave:

- ~~A. A.~~ Employees An employee subpoenaed by the court as a witness in any court action involving the ~~district~~ District, or subpoenaed as a witness because of their District duties, shall suffer no loss of compensation for the time they are required by the court to be away from their District assignment.
- ~~B. B.~~ An employee subpoenaed by the court as a witness in a case that is not directly related to the employee's employment in the ~~school-district~~ District shall, upon request, be granted ~~personal-necessity-leave~~ Personal Necessity Leave. When ~~personal-necessity-leave~~ Personal Necessity Leave has been exhausted, the cost of a substitute shall be withheld from the employee's pay for each day the court requires that the employee absent himself/herself from work.
- ~~C. C.~~ An employee who is either a plaintiff or a defendant in a case ~~which~~ that does not involve the District shall be granted ~~personal-necessity-leave~~ Personal Necessity Leave to appear in court as required by law. When ~~personal-necessity-leave~~ Personal Necessity Leave has been exhausted, the employee shall be granted unpaid leave to appear in court as required by law.
- ~~D. D.~~ Employees An employee who appear as litigants against the District in any court action will be granted unpaid leave.
- ~~E. E.~~ Employees An employee appearing in court on behalf of and/or at the request of the District shall be granted paid leave for whatever time such appearances in court cause the ~~employees~~ employee to be absent from work.

Section ~~16-17~~ - Conference Attendance Leave:

- ~~A. A.~~ The District shall attempt to provide employees with paid leave for purposes of attendance at conferences related to the improvement of job performance. The amount of such leave shall be determined by the District ~~in~~ at its sole discretion.
- ~~A.B. B.~~ — Employees who wish to attend a conference for the purpose of improving performance shall submit a “Request for Conference Attendance” form to their ~~immediate supervisor~~ site administrator at least five (5) days prior to the conference date.
- ~~C. C.~~ The ~~immediate supervisor~~ site administrator and/or the Assistant Superintendent shall have the authority to approve or deny the request for conference attendance.
- ~~D. D.~~ Consistent with District policies concerning expenses, expenses incurred will be reimbursed by the District. If lesser amounts of expense reimbursement will be allowed,

| the employee will be so notified prior to the conference.

Section ~~17-18~~ - Military Leave:

A. ~~A.~~ Employees who are members of any reserve corps of the Armed Forces of the United States or of the National Guard, or who are inducted, enlist, or who are otherwise ordered to active military service, shall be granted such leave and Military Leave pay as provided in the military and veterans' code. If they elect to return to the District upon honorable discharge, their placement on the salary schedule will be made with consideration given for the years served during this Military Leave.

B. ~~B.~~ In all cases when an employee is ordered to duty during the normal school year, a copy of the orders affecting such leave must be provided for the employee's records in the ~~Human Resources~~ Department of Personnel Office. This must be accomplished prior to the actual beginning date of such leave. Reserve duty is usually for two (2) weeks, and this absence will not cause loss of pay.

C. ~~C.~~ Employees on an extended leave of absence for military service and who, upon discharge, do not return to District service by the beginning of the semester following the discharge may be terminated.

Section ~~18-19~~ - Study Leave:

A. ~~A.~~ After having acquired ~~tenure~~ permanent status, an employee may, at the discretion of the District, be granted a leave of absence without pay for the purpose of educational improvement and advancement. This leave of absence would be for a full school year. An additional year of leave may be granted ~~where~~ when completion of the courses for advancement requires an extension of time and when it will not cause a hardship to the District.

B. ~~B.~~ Semester leaves may be granted under this policy if the request is given prior to November 1 for the second semester and June 1 for the first semester, and a suitable replacement can be secured.

C. ~~C.~~ Employees must provide the District with written notice no less than thirty (30) days before the expiration date of the leave, or before May 15, whichever is earlier, of their intention to return. Failure to ~~so~~ notify the District will be considered as notice that the employee will not return, and the employee will be terminated.

Section ~~19-20~~ - Teacher Exchange Leave:—

The District shall cooperate with employees who wish to participate in foreign teacher exchange programs.

Section ~~20-21~~ - Leaves of Absence for Employees Elected to the Legislature.

~~A. A tenured permanent~~ employee who is elected to the State Legislature or Congress shall be granted, upon request, an unpaid leave of absence for the length of the term or terms in office.

~~B. B.~~ Employees on such leave shall notify the District of intended return at least six (6) weeks prior to the expiration date of the leave.

Section ~~21-22~~ - Extensions of Leave.

The District may grant an extension of Study Leave, Parenthood Leave, Health Leave, and/or Unpaid Leave to an employee. A physician's statement may be required by the District to support a request for extension of Health Leave.

Section ~~22-23~~ - Misuse of Leave.

An employee may take a leave of absence only under the provisions specified in this ~~section.~~ ~~Article.~~ Other leaves, without District approval, will result in loss of pay and disciplinary action. Leaves of absence shall not be used for strikes, walkouts, or other concerted actions related to employment dissatisfaction. Employees who accept positions in other school districts while on leave may be terminated.

Section ~~2324~~ - Catastrophic Leave Bank.

~~A. A. Intent of Bank.~~

The District and the Association agree to the establishment of a Catastrophic Leave Bank effective July 1, 1997. The intent of this bank is to provide additional financial protection to those ~~unit member~~ employees who incur a period of prolonged non-industrial serious illness or hospitalization.

~~B. B. Participation/Eligibility.~~

~~Certificated unit members~~ Employees with more than ~~10~~ (ten) (10) days of accumulated ~~sick leave~~ Sick Leave and at least one (1) year of service (at least 75% of the school year) in the District may participate in the Catastrophic Leave Bank. ~~Unit members~~ Employees who elect to join the Catastrophic Leave Bank may join the bank only during open enrollment periods and must have a waiting period of thirty (30) calendar days after joining the bank before becoming eligible to withdraw from it.

The Catastrophic Leave Bank shall not be available to any ~~unit member~~ employee during a

leave of absence. ~~Unit members~~Employees returning from a Board approved extended ~~leaves~~leave of absence shall have

thirty (30) calendar days from the first day of employment to sign up for participation in the Catastrophic Leave Bank if the open enrollment period has expired.

C. ~~C.~~ — Donation of Days—

~~A unit member~~An employee may elect to participate in the Catastrophic Leave Bank by donating at least one (1) day (1 day = current daily hours assigned) of his/her accumulated ~~sick leave~~Sick Leave to the Catastrophic Leave Bank. No ~~member~~employee shall contribute more than five (5) days to the Catastrophic Leave Bank in any one (1) open enrollment period. The ~~unit member~~employee shall make this donation by filing an appropriate form with the Catastrophic Leave Bank Committee during the open enrollment period. This donation shall be irrevocable. A donation to the Catastrophic Leave Bank must be made from the ~~unit member's~~employee's accumulated ~~sick leave~~Sick Leave and shall not be designated to a specific ~~unit member~~employee for his/her exclusive use.

D. ~~D.~~ — Administration of the Bank—

A Catastrophic Leave Bank Committee shall administer the Catastrophic Leave Bank. The Committee shall consist of six (6) members, three (3) appointed by the Superintendent and three (3) appointed by the Association. The Catastrophic Leave Bank Committee shall be responsible for receiving leave requests, verifying the validity of requests, approving or denying requests, communicating its decision to affected ~~unit member~~employees and the Superintendent, determining when new sick leave assessments of bank members will be made, and soliciting donations of ~~sick leave~~Sick Leave from eligible ~~unit member~~employees.

E. ~~E.~~ Additional Donations—

Additional donations will be assessed of each participant if the number of hours in the bank fall below (~~1500~~1,500 hours)-. Such assessments shall be made in writing and approved by the ~~unit member~~employee to continue current participation in the bank. ~~Unit members~~Employees who are drawing from the bank at the time of the assessment will not be required to contribute in order to remain eligible to receive benefits from the bank.

A.F. ~~F.~~ — Enrollment Procedures

—The District shall establish an open enrollment period each year for ~~unit member~~employees to participate in the Catastrophic Leave Bank. Such enrollment period shall be July 1 through ~~October 1~~November

1. Once ~~a unit member~~an employee becomes a participant in the Catastrophic Leave Bank, he/she shall not be required to re-enroll each year, but ~~a unit member~~an employee shall be

required to renew their participation in the bank whenever member assessments are required by the Catastrophic Leave Bank Committee.

G. G. — Procedures to Use/Withdraw Sick Leave - Conditions and Restrictions-

1. 1.— In order to be eligible to withdraw ~~catastrophic leave~~Catastrophic Leave from the bank, the ~~unit member~~employee must be a participant and have exhausted all of his/her current and accumulated ~~sick leave~~Sick Leave, including any Worker's Compensation benefits.
2. 2.— The benefits of this leave must be used prior to being compensated for differential pay where that applies.
3. 3.— ~~A unit member~~An employee electing to use the Catastrophic Leave Bank shall complete an appropriate form in order to make a draw on the bank. The ~~unit member~~employee must submit this form to the Catastrophic Leave Bank Committee for processing. In the request, the ~~unit member~~employee shall clearly state the details of his/her injury/illness and the number of days of ~~sick leave~~Sick Leave he/she is requesting from the bank. Appropriate written verification of the illness or injury, including, but not limited to, an off-work order signed by the ~~unit member's~~employee's physician must be included with the request. The ~~unit member~~employee should be prepared to provide additional documentation on the nature and severity of the illness or injury if requested by the Catastrophic Leave Bank Committee, and decisions of that committee shall be final.
4. 4.— In the event that the ~~unit member~~employee is personally unable to apply for ~~catastrophic leave~~Catastrophic Leave, an immediate family member or ~~unit member's~~employee's agent may make the request for the applicant.
5. 5.— When the ~~unit member~~employee may reasonably be presumed to be eligible for disability retirement under STRS, or, if applicable, Social Security, he/she may be required to apply for such retirement. Failure of the ~~unit member~~employee to submit a complete application, including medical information provided by the applicant's physician, within twenty (20) calendar days, will disqualify the ~~unit member~~employee from further Catastrophic Leave Bank benefits.

B-H. H. — Allowable Duty Days

— The maximum number of duty days allowed to be utilized by one ~~unit member~~(1) employee for a single injury/illness shall not normally exceed twenty (20) duty days. The number of sick bank days needed by the ~~unit member~~employee shall be specified in the request. The ~~unit member~~employee may request up to ~~the~~ twenty (20) additional days by filing an additional request for consideration by the Catastrophic Leave Bank Committee. Any days approved by the committee but unused by the ~~unit member~~employee shall be returned to the Catastrophic Leave Bank. No ~~unit member~~employee shall receive more

than forty (40) days for a single injury/illness from the Catastrophic Leave Bank.

C.I.I.—Method of Payment

—When ~~a unit member~~an employee uses a day from the Catastrophic Leave Bank, pay for that day shall be at the same rate the ~~unit member~~employee would have received had he/she worked that day. No distinction shall be made as to the differing pay rates of the donor or the recipients.

~~D.~~ J. — Cancellation of Participation

—Cancellation of the ~~unit member's~~employee's membership in the Catastrophic Leave Bank occurs automatically whenever he/she fails to make an assessed contribution. The ~~unit member~~employee shall not be eligible to draw from the bank as of the effective date of cancellation. Sick ~~leave~~Leave previously authorized for contribution to the Catastrophic Leave Bank shall not be returned to the ~~unit member's~~employee's account of accumulated ~~sick leave~~Sick Leave.

~~E.~~ K. — Accounting

—By September ~~20th~~20 of each year, the Payroll Office shall provide the Catastrophic Leave Bank Committee with a statement detailing the number of days withdrawn from the Bank during the past year and the number of days available in the bank as of the ~~first of~~ July 1 of the current year.

~~F.~~ L. — Termination of Catastrophic Leave Bank

—If the Catastrophic Leave Bank is terminated for any reason, the hours remaining in the bank shall be equally distributed to the current members of the Catastrophic Leave Bank. In the event of a natural disaster or catastrophic event, the Superintendent shall retain the right to suspend the provisions of this ~~section.~~ Section.

~~G.~~ M. — Hold Harmless

—The Association agrees that it will not file, on its own behalf or on behalf of any ~~unit member~~employee, any grievance, claim or lawsuit of any kind related to any attempt by a ~~unit member~~an employee to retrieve donated ~~sick leave~~Sick Leave used by another ~~unit member~~employee pursuant to this provision. The Association also agrees that it will not file, on its own behalf or on behalf of any ~~unit member,~~employee, any grievance, claim or lawsuit of any kind ~~which~~that attempts to challenge in any way the legality of enforcement of this provision.

The Association agrees to defend, indemnify, and hold harmless the District from any loss or damages arising from the implementation of this provision.

In the event of any grievance, claim or lawsuit challenging the legality or enforcement of this provision, the District may terminate this provision upon written notice to the Association.

ARTICLE XVII - SAFETY CONDITIONS OF EMPLOYMENT

Section 1 – CAL OSHA.–

The requirements for safe working conditions are established and maintained under the California Occupational Safety and ~~Hearth~~Health Act of 1973 (CAL OSHA). Enforcement and rule- making authority is lodged with the Department of Industrial Relations. The Division of Industrial Safety has jurisdiction for inspection and the enforcement of standards; therefore, any disputes arising relating to CAL OSHA requirements are exempted from the grievance process.

Section 2 – Report of Incident.–

Should an employee be attacked, assaulted, or menaced by any person in the course of employment, the employee shall report the incident to the ~~immediate supervisor~~site administrator who shall promptly report the incident to the police, as applicable, and the Deputy Superintendent. The District shall comply with any reasonable request for information in its possession relating to the incident and the persons involved.

Section 3 – Report of Complaint.–

- A. Any citizen or parent complaint about an employee shall be reported immediately to the employee by the ~~supervisor~~site administrator receiving the complaint, unless the complaint involves an allegation that the employee has committed an unlawful act.
- B. There shall be no retaliatory action by an employee against a student whose parent(s) or guardian(s) have made a citizen or parent complaint.

Section 4 – Reimbursement for Personal Property Losses

Equipment

1. The District shall reimburse an employee for lost personal equipment that occurs during the course of the employee's performance of his/her duties and responsibilities to the District. Such reimbursement shall be limited to no more than three hundred dollars (\$300) per article.
2. To qualify for reimbursement the following conditions must be met:
 - a. The employee must have written approval of a site administrator prior to bringing the equipment to a school site for a specific instructional purpose. The time period for such approval must be specified and may not exceed one (1) semester.
 - b. The serial number of the equipment must be on file in the District Business Office.

c. Electrical equipment must meet Underwriter's Laboratory standards.

- d. Reimbursement shall not be made for repair of damaged equipment.
- e. Loss of equipment must not have been contributed to by the negligence of the employee.
- f. The employee must file a police report for equipment ~~which~~that is alleged to have been stolen.

Personal Property

1. The District shall reimburse an employee for replacement or repair of clothing, eyeglasses, watches, dentures or other dental appliances, and hearing aids on the employee's person that are damaged due to an act of violence while on duty on the school premises or while directly responsible for the supervision of student activities. The District will provide similar reimbursement, except for clothing for accidents. Such reimbursement shall not exceed three hundred dollars (\$300) per incident and shall not be made for losses of less than twenty-five dollars (\$25). Losses shall not be compensated if due to the employee's negligence. The District shall be reimbursed if recovery is made.
2. ~~A unit member~~An employee shall obtain written permission from the District to take students on a field trip and to transport such students in his/her personal automobile. Written permission shall mean that the trip is a school-sponsored activity.

Section 5 – Unsafe Conditions.–

Employees shall have the right and obligation to report any alleged unsafe working conditions to the ~~immediate supervisor~~site administrator and request correction. Such a written request must include a description of the alleged unsafe condition, why the employee believes the condition is unsafe, and the requested remedy. The ~~supervisor~~site administrator shall provide a response to the employee within five

(5) working days. Should the ~~supervisor~~site administrator fail to respond or if the employee does not agree with the response, the employee may send a written request to the Association and the District Safety Committee. An appropriate investigation shall take place immediately.

Section 6 – Earthquake/Disaster Assignments:

A. In the event of an earthquake or other natural disaster, when possible, employees with dependents shall be given priority for release.

B. In making advanced duty assignments, assignments predictably involving personal risk shall be made on the basis of volunteers. If there are no volunteers, the ~~responsible manager~~site administrator shall make other appropriate assignments.

~~ARTICLE XVIII - PEER ASSISTANCE AND REVIEW (PAR)/
BEGINNING TEACHER SUPPORT AND ASSESSMENT PROGRAM (BTSA)~~

~~I. PEER ASSISTANCE AND REVIEW (PAR)~~

I. PEER ASSISTANCE AND REVIEW (PAR)

Section 1 – Purpose.–

The ~~Riverside City Teachers~~ Association and the ~~Riverside Unified School~~ District are continuously striving to provide the highest possible quality of education. In order for students to succeed in learning, teachers must succeed in teaching. Teachers are viewed as valuable professionals who deserve to have the best resources available provided to them in the interest of achieving and maintaining successful performance. Therefore, the parties agree to cooperate in the design and implementation of programs to improve the quality of instruction through expanded and improved professional development and peer assistance teachers.

This Article is intended to implement the provisions of Chapter 4 of the Statutes of 1999 with respect to the Peer Assistance and Review Program (PAR), as it may be amended, and any applicable regulations. Implementation of PAR is contingent upon official notification by the State that the District is eligible for and will be receiving all the District's share of the funds specified in Chapter 4 of the Statutes of 1999 for PAR.

As soon as permitted by law, the District shall provide the required certification that PAR will be implemented beginning July 1, 2000.

Section 2 - Definitions for Purposes of this Section

A. A. Participating Teachers. Participating Teachers are ~~unit member~~employees who receive assistance and coaching to improve instructional skills, classroom management, knowledge of subject, and related aspects of teaching performance. There are three (3) categories of Participating Teachers.

1. **Referred Teacher** – a classroom teacher with permanent status who has received an overall does not meet standard of performance final evaluation.
2. **Volunteer Teacher** – a classroom teacher with permanent status who voluntarily seeks to improve his/her teaching performance through the PAR Program.
3. **Beginning Teacher** – ~~any unit member~~a classroom teacher having probationary or temporary status ~~in the District~~, including pre-intern teachers, intern teachers, teachers with emergency permits, and experienced teachers who are new to the District. By mutual agreement of the PAR Joint Panel and the BTSA Director, teachers may

volunteer to participate in the District's PAR Program while receiving services in the Beginning Teacher Support and Assessment (BTSA) programs.

~~B. B.~~ Consulting Teachers – exemplary teachers meeting the requirements of Section ~~3(B)3B~~ who are selected by the Joint Panel to provide peer assistance to a Participating Teacher.

~~C. C.~~ Evaluator – ~~ana site~~ administrator appointed by the District to evaluate a certificated teacher.

~~D. D.~~ Joint Panel – the governance body for all programs affiliated with PAR.

Section 3 - Governance/Program Structure

~~A. Joint Panel:~~

1. The Joint Panel shall consist of seven (7) members, four ~~bargaining unit members~~(4) ~~employees~~ and three (3) ~~site~~ administrators. ~~Bargaining unit members~~Employees shall be appointed by the ~~association~~Association to staggered two (2) and three (3) year terms initially. Subsequent appointments shall be for three- (3) year terms. Qualifications for teacher members shall be the same as for Consulting Teachers as set forth in Section ~~3(B)-3B~~.
2. The Joint Panel will establish its own meeting schedule, subject to budget limitations. Five (5) members, the majority of whom must be ~~bargaining unit member~~employees, will constitute a quorum. Action by the Joint Panel will require an affirmative vote of at least five (5) members. Meetings will take place during the regular teacher ~~workday~~work day, and substitutes shall be provided to release ~~bargaining unit member~~employees from their regular duties.
3. The Joint Panel shall be responsible for the following:
 - a. ~~a.~~ Provide annual training for the Joint Panel members.
 - b. ~~b.~~ Establish its own rules of procedure, including the method for the selection of a Chairperson by an affirmative vote. Adopted rules, procedures, and forms will be consistent with the terms of the Agreement and applicable law. To the extent, the rules, procedures, and forms are inconsistent with the terms of the Agreement, this Agreement will prevail.
 - c. ~~e.~~ Select and recommend the panel of Consulting Teachers to the Governing Board for approval: ~~if.~~ If the Governing Board does not approve a recommendation, the Panel will recommend another selection, subject to approval by the Governing Board until all Consulting Teachers are selected.
 - d. ~~d.~~ Select and recommend for Governing Board approval the trainers and/or training providers for Consulting Teachers and Joint Panel members.

~~e.~~ e. Provide training for Consulting Teachers prior to the Consulting Teacher's participation in the program.

f. Send written notification of participation in the PAR program to the Referred Teacher, the Consulting Teacher and the site ~~principal~~administrator.

~~g.~~ g. Match Consulting Teachers with Participating Teachers.

~~Distribute at~~

- h. At the beginning of each school year, distribute a copy of the adopted Rules and Procedures to all ~~bargaining unit member~~employees.
- i. Establish and implement a procedure for application and selection of Consulting Teachers.
- j. Determine the number of Consulting Teachers in any school year, and the amount of release time provided to Consulting Teachers, based upon participation in the PAR program, the budget and other relevant considerations.
- k. Review the final report prepared by the Consulting Teacher and make recommendations to the Superintendent/Governing Board regarding the Referred Participating Teacher's progress in the PAR program. The recommendations of the panel and the peer review reports by the Consulting Teachers shall be advisory only, for the benefit of the ~~participating teacher~~Participating Teacher and the District.
- l. Shall annually evaluate and make recommendations for improvement of the PAR program by using among other things, interviews or surveys of the PAR participants. Such interviews or surveys shall have the intent of evaluating the program, not the ~~consulting teacher~~Consulting Teacher.
- m. Monitor and evaluate the effectiveness of the Consulting Teachers and make decisions regarding their continuation in the program. The Joint Panel may remove a Consulting Teacher from the position at any time because of the special needs of the PAR Program or unsatisfactory performance of the Consulting Teacher. Prior to the effective date of such removal, the Joint Panel will meet with the Consulting Teacher to discuss the possibility of removal.

Consulting Teachers :

B. Eligibility and Selection:

1. The qualifications for the Consulting Teacher shall be set forth in the Rules and Procedures, with the following minimum qualifications:
 - a. Credentialed ~~bargaining unit member~~employee with permanent status.
 - b. Have at least seven (7) years of teaching experience, requiring a credential or permit. Five (5) of the last seven (7) years must be full-time classroom experience. Have been employed in the ~~Riverside Unified School~~ District for at least three (3) years.
 - c. Shall demonstrate exemplary teaching ability, as indicated by, among other things, effective communication skills, interpersonal skills, peer coaching skills, subject matter knowledge and mastery of a range of teaching strategies necessary to meet the needs of ~~pupit~~pupils in different contexts.

2. In filling a position of Consulting Teacher, each applicant is required to submit two (2) confidential references from individuals with specific knowledge of his-~~or~~-her expertise, as follows:
 - a. ~~a.~~—A reference from a current or former site ~~principal~~administrator or other supervisor.
 - ~~a-b.~~—A reference from an Association representative or another ~~bargaining unit member~~employee.
3. Consulting Teachers shall be selected and submitted for approval to the Governing Board by a majority vote of the Joint Panel following classroom observations by at least one (1) Association member and one (1) site administrator concurrently. Following observations, the Joint Panel will arrange an interview with the applicant.
4. The term of the Consulting Teacher shall be three (3) years, and he/she/he may reapply for additional terms. In the first year of the Program only, the Joint Panel will create both two (2-) year and three (3-) year terms in order to stagger the entry of Consulting Teachers into the Program. Consulting Teachers may not be out of the classroom full-time for more than three (3) years. The District agrees it shall not consider a Consulting Teacher for an administrative position while he/she is serving as a Consulting Teacher.

Duties:

5. Consulting Teachers shall assist Participating Teachers by demonstrating, observing, coaching, conferencing, referring or by other activities, which, in their professional judgment, will assist the Participating Teacher.
6. A Consulting Teacher shall:
 - a. The Consulting Teacher and the evaluator shall have a cooperative relationship and shall meet to discuss the nature of the assistance being provided and the PAR Program. The Referred Teacher may attend any meeting between the Site Administrator and Consulting Teacher.
 - b. The Consulting Teacher shall meet with the Referred Teacher to discuss the PAR Program, ~~to~~ establish mutually agreed upon performance goals, develop their PAR assistance plan and develop a process for determining successful completion of the PAR Program.
 - c. The Consulting Teacher shall conduct multiple observations of the Referred Teacher's performance with students, and meet with the ~~teacher~~employee to

| review and discuss observations.

- d. The Consulting Teacher shall monitor the progress of the Referred Teacher and shall provide periodic written reports to the Referred Participating teacher for discussion and review prior to sending periodic written reports to the Joint Panel.
 - e. At least thirty (30) days before the evaluation is due under Article XIII ~~(1) (B)~~^{7.2}, Section 1B, the Referred Teacher will receive a copy of the Consulting Teacher's final report of the Referred Teacher's participation in the Program. The report shall consist of (1) a description of the assistance offered/provided to the Referred Teacher; (2) a description of the Referred Teacher's participation in the Program; and (3) a description of the participant's attainment or progress toward agreed upon goals. A copy of the Consulting Teacher's report shall be submitted to and discussed with the Referred Teacher to receive his ~~or~~ /her input before it is submitted to the Joint Panel. The Consulting Teacher shall submit a final report to the Joint Panel. The Referred teacher shall also have the right to request a meeting with the Joint Panel, and to be represented at this meeting by an Association representative. The final report will be submitted to the Joint Panel, the Referred Teacher's personnel file, and the site ~~principal~~administrator/evaluator. However, the report is advisory only, and the District will remain responsible for the evaluation and assessment of the participant's performance. The ~~participating teacher~~Participating Teacher shall have the right to submit a written response to the final report within ten (10) working days of receipt, after which the PAR report will be placed in the personnel file.
7. At the conclusion of their service, Consulting Teachers shall have the return rights to a position for which the individual is qualified at their school of origination. If there is no open position, the Consulting Teacher shall have the same rights as an "Involuntary Transfer" as stated in Article XV.

C. Participating Teachers:

1. Referred Teachers
 - a. A Participating Teacher may request a change of Consulting Teacher once while in the program, upon approval of the Joint Panel.
 - b. All informal communication related to the PAR Program between the Consulting Teacher and the Referred Teacher shall be confidential, and without written consent of the Referred Participating Teacher, shall not be shared with any others.
 - c. The Referred Teacher has the right to be represented at any Joint Panel meeting throughout these procedures by an Association representative.
 - d. Compensation is not provided for participation in PAR.
- ~~2.~~ 2. —Volunteer/Beginning Teachers
 - a. Participation is for peer assistance only and the Consulting Teacher shall not

| document any performance review of the Volunteer Teacher. The Volunteer Teacher

- ~~a.~~ may terminate his ~~or~~ /her participation in the PAR Program at any time. However, once participation is terminated, it may not be resumed without the approval of the Panel.
- b. The Joint Panel will assign Consulting Teachers to Volunteer Teachers. The Volunteer Teacher may request reassignment to a different Consulting Teacher once per year.
 - c. All ~~Communication~~communication between the Consulting Teacher and a Volunteer Teacher shall be confidential, and without the written consent of the Volunteer, shall not be shared with others, including the site ~~principal~~administrator, evaluator or the Joint Panel.
 - d. Compensation is not provided for participation in PAR~~...~~.

Section 4 - Budget Priorities and Considerations:

- ~~A.~~ A. The District shall not be required to allocate funds for the programs as set forth in this Article in addition to those funds provided by the Legislature for implementation.
- B. The Joint Panel shall annually recommend to the Governing Board a budget to fund the direct program and administrative expenses of the PAR Program using funds made available by the State Legislature pursuant to AB1X and Legislation that allocates funds to the programs identified in this Article.
- C. The Joint Panel shall use the following procedure for establishing the annual Program plan and budget:
1. By June 1 of each fiscal year, the Joint Panel will establish a Program and budget for the succeeding year, which will include:
 - a. the estimated state revenues for the Program;
 - b. the estimated expenditures, involving
 - projected number of Participating Teachers,
 - projected number of Consulting Teachers needed to serve the projected need,
 - released time for the panel and Consulting Teachers
 - pay for Consulting Teachers that is consistent with the pay parameters established by the negotiating parties, and
 - projected costs for training, administrative overhead, and if necessary, legal and consulting assistance
 2. By June 1, the Program plan/budget will be submitted to the Association President and the Superintendent for approval. If the plan/budget is not approved by both parties, it may be modified by mutual agreement. By June 10, if the parties cannot reach agreement to either approve the plan/budget or to amend it, then the plan/budget will be

| implemented as submitted by the panel to the governing board for approval.

D. The stipend for ~~bargaining unit member~~employees of the Joint Panel shall be \$2,000. ~~Unit members~~Employees who serve as Chairperson of the Joint Panel (~~Non~~non-released) shall receive an additional stipend of \$3,000.

~~A.E.~~ Consulting Teachers with a full time teaching assignment shall each receive a stipend of ~~E.~~ \$5,000 per Referred Teacher assigned to them for peer assistance. This stipend shall be prorated per month of work as determined by the PAR Joint Panel. Consulting teachers assigned to a PAVE Volunteer Teacher will be paid on a timecard at the “Extra Duties Not Specified” rate as determined on ~~A6~~Appendix 9 (Miscellaneous Salary Provisions) of the ~~Certificated Bargaining Unit~~ Agreement.

F. The Joint Panel may select one or more Consulting Teachers as Teachers on Special Assignment with full or partial release. In the event that a ~~consulting~~Consulting Teacher is provided with full or partial release time to perform duties, no stipend shall be issued.

G. ~~Bargaining unit members~~Employees serving as Full Time Release Consulting Teachers shall be paid the base salary plus daily rate for days of service in excess of 185, ~~multiplied by a factor of 1.067, reflecting the eight (8) hours of service per day.~~

Section 5 - Other Provisions:

A. ~~Unit Members~~Employees who function as Joint Panel or Consulting Teachers under this ~~document~~Agreement shall not be considered either management or supervisory employees as defined by Government ~~code~~Code Section 3540.1(g) and (m).

B. Joint Panel ~~member~~members and Consulting Teachers are entitled to defense and indemnification for activities performed as part of the PAR Program, as set forth in applicable provisions of the California Government Code.

C. All proceedings and materials related to PAR evaluations, reports and other personnel matters shall be strictly confidential. Therefore, Joint Panel members and Consulting Teachers may disclose such information only as necessary to administer this Article.

D. In the event that the District receives official notification from the State that the District will not be receiving in any year all of the District’s share of the funds specified in AB1X for PAR or that there is any material reduction in funding entitlement or a material change in the minimum required elements of PAR, the District may suspend the program upon written notification to the Association and the Joint Panel; in that event, either party may reopen this

| [article](#)Article for negotiation by providing written notice to the other party.

E. The evaluation, assessment, and recommendations of the Joint Panel and the peer review reports by the Consulting Teachers shall be advisory only, for the benefit of the Participating Teacher and the District; and shall in no way limit the District's discretion or authority with regard to decisions and actions regarding the employment status of any employee, including but not limited to the evaluation, assignment, reassignment, transfer, promotion, demotion, discipline, layoff, or dismissal of any employee. The fact that the employee is participating in PAR will not limit or delay the District's authority or discretion to make any such decision or take any such action. Participation in PAR will not create any right or expectancy of continued employment by the District for any period of time.

F. This Article may be reopened at any time by mutual consent of the parties as needed.

H.

**ARTICLE XIX - BEGINNING TEACHER SUPPORT AND
ASSESSMENT INDUCTION PROGRAM (BTSA)**

Section 1 – Purpose—

The ~~BTSA~~Beginning Teacher Induction Program (hereinafter called the Induction Program) provides opportunities for first and second year teachers to expand and deepen their teaching knowledge and skill through the use of the California Standards for the Teaching Profession.

Section 2 – Definitions for Purposes of this Section

A. A.—Support Provider Selection Committee: The joint District-Association selection committee responsible for establishing and implementing a procedure for application and selection of Support Providers.

B. B.—Support Providers: ~~exemplary~~Exemplary teachers meeting the requirements of Section 4A below who are selected by the Selection Committee to provide assistance to a beginning teacher in the ~~BTSA~~Induction Program.

C. C.—Participating Teachers—: Candidates whose credential status requires their participation in a formal teacher induction program.

Section 3 – ~~BTSA~~Induction Program Selection Committee

A. A.—The Selection Committee shall consist of seven (7) members, four ~~bargaining unit members~~(4) employees and three (3) administrators. ~~Bargaining Unit members~~Employees shall be appointed by the ~~association~~Association to staggered two (2) and three (3) year terms initially. Subsequent appointments shall be for three-(3) year terms. Qualifications for teacher members shall be the same as for Consulting Teachers as set forth in ~~I. PAR~~Article XVIII, Section 3 ~~(B)~~.

B. B.—The Selection Committee will establish its own meeting schedule, subject to budget limitations. Five (5) members, the majority of whom must be ~~bargaining unit member~~employees, will constitute a quorum. Action by the Selection Committee will require an affirmative vote of at least five ~~(5) members~~. ~~Meetings will take place during the regular teacher workday, and substitutes shall be provided to release bargaining unit members from their regular duties. If meetings are conducted outside the normal duty day, teacher members will be compensated at the Workshop Presenter rate specified in Appendix A6.~~

C.——(5) members. Meetings will take place during the regular teacher work day, and substitutes shall be provided to release employees from their regular duties. If meetings are conducted outside the normal duty day, employee members will be compensated at the “Workshop Presenter” rate specified in Appendix 9 (Miscellaneous Salary Provisions)

A.C.The Selection Committee shall select and recommend the panel of Support Providers to the Governing Board for approval:~~—if.~~ If the Governing Board does not approve a recommendation,

the Committee will recommend another selection, subject to approval by the Governing Board until all Support Providers are selected. After selection by the Committee, training, assignments, monitoring and supervision for the ~~BTSA~~Support Providers, in their work with the BTSAInduction Program, will be the responsibility of the District. The District shall monitor and evaluate the effectiveness of the Support Providers and make decisions regarding their continuation in the program. The District may remove a Support Provider from the position at any time because of the special needs of the BTSAInduction Program or unsatisfactory performance of the Support Provider. Prior to the effective date of such removal, the District will meet with the Support Provider to discuss the possibility of removal.

Section 4 – Support Providers

A. ~~A.~~ Eligibility and Selection:

1. The qualifications for the Support Provider shall be set forth in the Rules and Procedures, with the following minimum qualifications:
 - a. Credentialed bargaining-unit memberemployee with permanent status.
 - b. Have at least five (5) years of classroom teaching experience, requiring a credential or permit.
 - c. Shall demonstrate exemplary teaching ability, as indicated by, among other things, effective communication skills, interpersonal skills, peer coaching skills, subject matter knowledge and mastery of a range of teaching strategies necessary to meet the needs of ~~pupipupils~~ pupils in different contexts.
2. In filling a position of Support Provider, each applicant is required to submit two (2) confidential references from individuals with specific knowledge of his/her other expertise, as follows:
 - a. A reference from a current or former site principaladministrator or other supervisor.
 - b. A reference from an Association representative or another bargaining-unit memberemployee.
3. Support Providers shall be selected and submitted for approval to the Governing Board by a majority vote of the Selection Committee following classroom observations by at least one (1) Association member and one (1) site administrator concurrently. Following observations, the Selection Committee will arrange an interview with the applicant.

~~B. B. — BTSA~~ Support Providers with a full-time teaching assignment will be paid \$1,650 prorated to time of service per Beginning ~~BTSA~~Teacher in the Induction Program assigned to them for assistance, not to exceed three (3) teachers.

Section 5 – Other Provisions

Unit Members

- A. Employees who function as Consulting Teachers, Selection Committee members or Support Providers under this ~~document~~Article shall not be considered either management or supervisory employees as defined by Government ~~code~~Code Section 3540.1(g) and (m).

- B. Selection Committee members and Support Providers are entitled to defense and indemnification for activities performed as part of the ~~BTSA~~Induction Program, as set forth in applicable provisions of the California Government Code.

- C. All proceedings and materials related to, reports and other personnel matters shall be strictly confidential. Therefore, Selection Committee members and Support Providers may disclose such information only as necessary to administer this Article.

ARTICLE ~~XIX~~XX - GRIEVANCE PROCEDURES

Section 1 ~~—~~ Definition~~—~~

A grievance shall mean a written complaint by an employee that there has been an alleged violation, misinterpretation~~;~~ or misapplication of a provision of this Agreement. ~~Hereinafter,~~ ~~the~~The term "grievant" shall include either the employee or the Association, whichever is applicable.

Section 2 ~~—~~ General Provisions~~—~~

A. ~~A.~~ Every employee shall have the right to present grievances in ~~aeoordane~~accordance with these procedures with or without representation. Nothing contained in this Article shall be construed to prevent any individual employee from discussing a problem with an ~~agent~~administrator of this District and having it resolved without filing a grievance as provided ~~herein-~~in this Article.

B. ~~B.~~ The failure of the grievant to act within the prescribed time limits stated in this Article will act as a bar to any further appeal. The failure of the District to give a decision within the time limits shall permit the grievant to proceed to the next step. Time limits stated herein shall not apply between June 20 and September 1.

C. ~~C.~~ In any instance where the Association is not represented in a grievance, the Association will be notified of the disposition of the grievance.

D. ~~D.~~ Hearings and conferences under this procedure shall be conducted at a time and place ~~which~~that will afford an opportunity for all persons entitled to be present to attend and will be held, insofar as possible, after the regular hours of instruction or during the non~~-~~teaching time of personnel involved. When such hearings and conferences are held at the request of the District during the regular ~~workday~~work day, all employees whose presence is required shall be released without loss of pay for those hours they are required to attend such hearing or conference. However, the District will not release without loss of pay more than one (1) representative per grievance.

E. ~~E.~~ Any investigation or other handling or processing of a grievance by a grievant or the Association shall be conducted so as to result in no interference with or interruption of the instructional program.

F. ~~F.~~ The term "day" shall mean employee ~~workday~~work day.

Section 3 – Levels in the Grievance Procedure-

A. ~~A-~~Level One: Any employee who has a grievance may reduce such matter to writing within ten (10) days after the employee has knowledge or ~~reasonably~~reasonably should have knowledge of the event ~~which~~that caused the grievance and submit it to the ~~immediate supervisor~~site administrator, who shall meet with the employee and/or an Association representative in an attempt to resolve the matter. Such meeting and a response in writing by the ~~immediate supervisor~~site administrator will be made within ten (10) days after submission of the grievance into Level One.

B. ~~B-~~Level Two: If the grievance is not resolved in Level One, a written notice of appeal to Level Two shall be served by the Association to the District within ten (10) days following disposition of the grievance in Level One. Such grievance shall be discussed at a meeting with the Association, including the ~~Employee~~employee, an Association ~~Representative~~representative, and an Association ~~Staff Representative~~staff representative, and the Superintendent and/or whomever else the Superintendent elects to be present. The meeting will be held within ten (10) days after submission into Level Two. The District response in writing will be made within ten (10) days of the meeting.

C. ~~C-~~Level Three Mediation:

1. If the grievance is not resolved in Level Two, either the Association or the District may, within ten (10) days of the disposition of the grievance in Level Two, propose in writing that the matter be referred to mediation. If the proposal is accepted in writing within ten ~~+~~ (10) days by the other party, the requesting party shall arrange for a conciliator/mediator from the California State Mediation/Conciliation Service, or from any other mutually agreeable recognized dispute resolution center, to be assigned to assist the parties in the resolution of the grievance.
2. The mediator, as soon as possible but not later than thirty (30) days from the date of the proposal to mediate unless mutually agreed otherwise in writing by the Association and the District, shall meet with the grievant, the Association and the District for the purposes of resolving the grievance.
3. ~~3.~~—If an agreement is reached, the agreement shall be reduced to writing and shall be signed by the grievant, the Association and the District. This agreement shall be nonprecedential, unless the parties mutually agree otherwise in writing and shall constitute a settlement of the grievance.
- 2-4. ~~4.~~—In the event that (1) no proposal to mediate is proposed and accepted within the time limits set forth herein and the timelines have not been extended by mutual

| written

agreement of the Association and the District; or (2) the mediator is unable to hold a first meeting or teleconference with the parties to the grievance within the time limit set forth herein (unless extended in writing by the parties as provided herein); or (3) the matter is not resolved and the mediator or one of the parties declares in writing that additional mediation efforts are not warranted; then the Association may, within (10) days of the expiration of the time limit, proceed to Level Four by submitting a written notice to the District of its intent to submit the grievance to final and binding arbitration, Level Four.

D. ~~D~~-Level Four:

- ~~3~~.1. If the grievance is not satisfactorily settled in Level Three, the Association shall, within ten (10) days after receipt of the District's reply, submit a written notice to the District of its intent to submit the grievance to final and binding arbitration. Within ten (10) ~~workdays~~work days following receipt of the Association's notice of intent to submit the grievance to arbitration, the District shall request the American Arbitration Association to provide a list of seven (7) arbitrators from which the parties shall strike alternately until only one ~~1~~(1) ~~(1)~~ name remains, with the first strike determined by a flip of a coin. The remaining name shall be the arbitrator.
2. All arbitration hearings shall be held within the boundaries of ~~Riverside Unified School~~the District. The arbitrator shall have no authority to add to, subtract from, or change any of the terms and conditions of this Agreement. The arbitrator's decision must be based upon the arbitrator's interpretation of meaning or application of the language of the Agreement
3. All costs for the services of the arbitrator, including but not limited to actual and necessary travel and subsistence expenses, will be borne equally by the Association and the District. All other costs, except for release time required by law, will be borne by the party incurring them.

Section 4 ~~=~~ Waivers:

A. ~~A.~~—Any of the time limits set forth in the Article may be waived by written agreement between the parties.

B. ~~B.~~—Any of the levels or procedures in this Article may be waived by written agreement between the Parties.

Section 5 ~~=~~ Association Grievances:

Association grievances may be filed at Level II and must be signed by the Association President

| or a designee.

Section 6 ~~– Association Staff Representatives–~~

Upon notice to the immediate supervisor, Association ~~Staff Representatives~~staff representatives shall be granted access at such reasonable times and to such proper areas of the District's premises when such visits are necessitated by matters concerning the administration of this Agreement.

Section 7 ~~– Association Representatives–~~

Association representatives shall be employees of the District, designated by the Association, to take up matters pertaining to grievances. An Association Grievance Committee will handle grievances beyond Level One. The District agrees that there shall be no discrimination against such representatives because of Association activities, and further, no such representative will be reassigned because of Association activities.

ARTICLE ~~XX~~XXI - CONCERTED ACTIVITIES

Section 1 ~~– Association Obligations.~~

~~A. A. It is agreed and understood that there~~There will be no strike, work stoppage, slow~~–~~down, or any concerted action or other interference with the operations of the District by the Association or by its officers, agents, or members during the term of this Agreement, including compliance with the request of other employee organizations to engage in such activity.

~~B. B.~~The Association recognizes the duty and obligation of its representatives to comply with the provisions of this Agreement and to make every effort toward inducing all employees to do so. In the event of a strike, work stoppage, slow~~–~~down, concerted action, or other interference with the operations of the District by employees who are represented by the ~~Association~~Association, the Association agrees in good faith to take all necessary steps to cause those employees to cease such action.

Section 2 ~~– Violation.~~

~~It is agreed and understood that any~~Any employee violating this Article may be subject to discipline up to and including termination by the District.

Section 3 ~~– Breach of Agreement.~~

~~It is understood that in~~In the event Section 1 above is violated, this Agreement shall be breached and the District may elect to withdraw any rights, privileges, or services ~~provided for herein~~ from any employee or the Association.

Section 4 ~~– District Obligations.~~

During the term of this Agreement or any extension ~~thereof~~, the District agrees that it will not lock out its employees, refuse to submit disputes to grievance or arbitration, or refuse to abide by the final award of an arbitrator unless it seeks judicial review of the arbitrator's award. The same right of refusal shall be retained by the Association should it seek judicial review.

Section 5 ~~– Special Provision.~~

Given the negotiation of issues eligible for ~~reopening~~re-opening during the period of this Agreement, and given that the Parties have reached no agreement upon these issues on or before the June 30 following the ~~reopening~~re-opening of negotiations, this Article ~~(XX)XXI~~ shall be suspended from the following day ~~(, July 1),~~ until the Parties reach agreement. It is the intent of the Parties that by suspending said Article, both Parties shall retain the right to take any and all other legal action as such Parties deem appropriate, and the sole impact of

the suspension of said Article is that neither party may rely upon the provisions ~~thereof~~ during the period above described.

ARTICLE ~~XXI~~XXII - MISCELLANEOUS PROVISIONS

(Changes subject to Ratification, April/May, 2011)

Section 1 – Term of Agreement.–

This ~~agreement~~Agreement shall remain in full force and effect up to and including June 30, ~~2013~~2016; and thereafter shall continue in effect year by year unless one of the parties notifies the other in writing no later than March 15, nor earlier than February 15, of its request to modify, amend, or terminate the Agreement. Each year during the term of the ~~Collective Bargaining~~ Agreement, the parties will discuss wages and health benefits. Up to two (2) additional articles for each party and other ~~articles~~Articles by mutual agreement shall be sunshined between February 15 and March 15. Medical benefit provisions shall be in effect through December 31. At any time, the parties will discuss any specific issue that can be addressed through a Memorandum of Understanding.

Section 2 – Completion of Negotiations.–

During the term of this Agreement, the Association and the District expressly ~~waives~~waive and ~~relinquishes~~relinquish the right to meet-and-negotiate with respect to any subject or matter whether referred to or covered in this Agreement or not, even though each subject or matter may not have been within the knowledge or contemplation of either or both the District or the Association at the time they met and negotiated this Agreement, and even though such subjects or matters were proposed and later withdrawn.

Section 3 – Effect of This Agreement.–

It is understood and agreed that the specific provisions contained in this Agreement shall prevail over District practice and procedures and over state laws to the extent permitted by state law, and that in the absence of specific provisions in this Agreement, District practices and procedures are discretionary. This written Agreement sets forth the full and complete agreement between the Parties concerning the subject matter ~~hereof~~ and supersedes all prior informal or formal agreements ~~thereon~~. There are no valid or binding representations, inducements, promises, or agreements, oral or otherwise, between the parties that are not embodied herein in this Agreement.

Section 4 – Copies of Agreement.–

Within forty-five (45) calendar days of the execution of the Agreement by both Parties ~~herein~~, the District shall distribute the ~~Collective Bargaining~~ Agreement as follows:

- A. Paper copy to each ~~worksite~~ work site that is accessible to staff, each negotiations team member, and each ~~bargaining unit member~~employee upon request
- B. Electronic copy in PDF format to all ~~bargaining unit members~~current and new employees

C. Website accessible

~~D.~~ 100 paper copies, initially, to ~~RCTA~~

~~Section 5—Commitment to Review and Refine Full Day Kindergarten Program~~

~~a. D. The District and the Association mutually agree that soliciting and valuing constructive input on full day kindergarten from stakeholders is an important shared interest; therefore, a District and Association Kindergarten Advisory Team will be established.~~

- ~~b. The District and Association jointly agree to reopen all articles related to full day kindergarten for the 2013-14 school year.~~
- ~~e. In support of the Interest based bargaining (IBB) process, input to the joint District and Association IBB team shall be made personally by representatives of the Kindergarten Advisory Team.~~

ARTICLE ~~XXII~~-XXIII- SAVINGS

Should any of the provisions of this Agreement be determined by a court of competent jurisdiction to be contrary to law, the balance of the Agreement shall in all aspects remain in full force and effect.

ARTICLE ~~XXIII~~-XXIV - REPORTING OF CHILD ABUSE

Section 1.— Reporting Procedures

When an employee has knowledge of a suspected instance of child abuse, District internal reporting procedures as established under legal requirements will be followed.

Section 2.— District Provisions

A. ~~A.~~ An in-service/review will be provided ~~certificated staff~~ employees at each school in alternating years by a District Pupil Services staff member or by the ~~principal/designee~~ site administrator.

B. ~~B.~~ The District shall provide each employee with a copy and explanation of the laws regarding the employee's responsibilities of reporting child abuse and materials on how to recognize child abuse.

~~**Section 3.** When a certificated employee reports a suspected child abuse, the department of Child Welfare and Attendance will send the employee a copy of the District's notification form informing the employee that a report has been filed.~~

~~**Section 4.** When a suspected child abuse case is reported to Child Protective Services and they deem it not to be a child abuse situation, a follow-up memorandum will be sent by Child Welfare and Attendance to Child Protective Services with a copy to the reporting employee (for example, Child Protective Services deems over-disciplining occurred).~~

~~**Section 5.** Unless an employee who reported a suspected child abuse case agrees to break the confidentiality of his/her reporting to the parent, confidentiality will be maintained.~~

~~**ARTICLE XXIV – PROFESSIONAL GROWTH**~~

~~**Section 1. Instructional Time and Staff Development Reform Program.**~~

~~A. This section applies during any year in which the District implements SB 1193 of 1999, which established the Instructional Time and Staff Development Reform Program (“Program”).~~

~~B. If the District implements the Program, only unit members eligible under SB 1193 may voluntarily attend three days of in-service training, in addition to the work year set forth in Article X of the collective bargaining agreement.~~

- ~~C. If the District implements the Program, only unit members eligible under SB 1193 actually attending in-service training will be paid \$285 per day for each day of attendance, subject to the following:~~
- ~~1. Each staff development day must be equal in length to a full “instructional workday” as defined in applicable law and regulations governing eligibility for full funding under SB 1193.~~
 - ~~2. Each eligible unit member must be in attendance for the full staff development day and must sign in upon arrival and sign out before departure. If an eligible unit member’s attendance is not reimbursed by the State under SB 1193 for the full \$285, the unit member shall instead be paid at the in-service rate in Appendix A-6.~~
 - ~~3. The staff development training may be scheduled in partial-day segments or in full days of training dependent upon the plans developed by individual sites or the District. Prior to the scheduling of staff development training under SB 1193, the site administrator shall hold a meeting with his/her staff for the purpose of consulting on the scheduling of staff development training under SB 1193.~~
 - ~~4. Each eligible unit member will attend professional development sessions at his/her own site unless attendance at another site is approved in advance by the unit member’s immediate supervisor.~~
- ~~D. The Section shall be administered in conformity with Senate Bill 1193. The District shall implement regulations adopted by the State Board of Education.~~

ARTICLE XXV - CONTINUOUS SCHOOL PROGRAM (CSP)

Section 1 ~~—~~ General:

- ~~A. A. Implementation, K-6 Grade Levels—~~ Whenever the District intends to implement Continuous School Program (CSP) at the K-6 grade levels, the District will provide no less than one hundred twenty (120) calendar days' notice to the Association prior to implementing CSP education at any particular site, in order that the Association can participate in planning and providing input prior to decision making.
- ~~B. B. Implementation, 7-12 Grade Levels—~~ Whenever the District decides to implement CSP at grade levels other than K-6, it will provide one hundred twenty (120) calendar ~~days~~ notice of such intent to the Association and will meet and negotiate regarding issues arising

because of the implementation at these grade levels. If the District and the Association have not reached agreement before the end of the one hundred twenty (120) calendar ~~days~~' notice period, the District may implement its last offer, and the parties will continue to meet in a good faith attempt to reach agreement. The parties shall retain all PERB rights in regard to such implementation. The District and the Association will continue to discuss implementation of CSP during the term of the Agreement.

~~C. C-Participation - Voluntary-~~ The District shall make every reasonable effort to have participation in the Continuous School ~~Program~~ program voluntary on the part of ~~unit members~~employees.

~~D. D-Involuntary Transfer from Continuous School Program-~~ The following provisions are to be adhered to in dealing with involuntary transfers from Continuous School Program ~~worksites~~work sites necessitated by low student ~~enrollment~~rollment:

~~1. 1.~~—The site ~~principal~~administra or shall seek a volunteer. In the event there is no volunteer, the ~~unit member~~employee with the least District seniority shall be involuntarily transferred according to the provisions of Article XV of the ~~Certificated~~ Agreement.

~~2. 2.~~—The ~~unit member~~employee who is involuntarily transferred shall not be required to work more than his/her ~~contract~~contractual work year. Should the ~~unit member~~employee volunteer to extend his/her work year, he/she shall be paid at his/her per diem rate of pay.

~~E. E.~~—~~Track Reassignment-~~

The District will make every reasonable effort to avoid involuntarily reassigning a ~~unit member~~an employee to a different track to which the ~~unit member~~employee is assigned.

~~1.~~—~~Unit members~~

1. ~~Employees~~ may be involuntarily reassigned when it is deemed necessary by the ~~immediate supervisor-site administrator~~. An involuntary track reassignment shall be based upon the following criteria:

~~(a) (a)~~ — The demonstrated needs and efficient operation of the school and/or program.

~~(b) (b)~~ — The qualifications including the experience and recent training of the ~~memberemployee~~.

~~(c) (c)~~ — ~~Unit member~~~~Employee~~ certification and authorization.

~~(d) (d)~~ — The preference of the ~~unit memberemployee~~.

2. ~~2.~~ — Involuntary track reassignments shall not be made for punitive reasons.

3. ~~3.~~ — ~~Unit members~~~~Employees~~ involuntarily reassigned under this provision during the school year shall have the right to indicate preferences from a current list of vacancies at another CSP site for a track other than the one to which the ~~memberemployee~~ is being reassigned. Such ~~unit membersemployees~~, if qualified, shall have preference over those employees seeking voluntary transfer in regard to choice among those positions ~~whichthat~~ are vacant.

4. ~~4.~~ — Permanent and second-year probationary (P-2) ~~unit membersemployees~~ involuntarily reassigned under this provision, for the subsequent school year, shall notify their site administrator within five (5) ~~workdayswork days~~ of their decision to accept the reassignment or be declared an involuntary transfer. Such a transfer shall be to another CSP site for a track other than the one to which the member is being reassigned. Involuntary Transfers under this provision shall then notify the District within five (5) ~~workdayswork days~~ of receiving the Spring Hiring vacancy list of their choices among those positions ~~whichthat~~ are vacant or their decision to remain at their current site and accept the track reassignment. Such ~~unit membersemployees~~ will receive the listing before the vacancies are posted district-wide and, if qualified, shall have preference over those employees seeking voluntary transfers.

Section 2 - Assignment to ~~Worksites~~Work Sites and Positions Designated ~~The~~the Continuous School Program (Initial Year):

A. ~~A.~~ ~~Unit members~~~~Employees~~ presently assigned to ~~worksiteswork sites~~ or positions designated for the ~~Continuous School Program-CSP~~ shall have the right to remain at those ~~worksiteswork sites~~ or positions unless they become subject to involuntary transfer pursuant to Article XV of the Agreement.

B. ~~B.~~ Track Assignment of ~~Unit Members~~~~Employees~~ In ~~Worksites~~Work Sites Designated For CSP:

1. ~~1.~~ — Within ten (10) ~~workdayswork days~~ after notification of the District's intent to implement a CSP, the ~~facultyemployees~~ and administration will meet to discuss the

most equitable distribution of track ~~assignments.~~assignments. It is the intent of this Article to allow the ~~faculty~~employees and administration of a particular CSP site to determine track assignments to the greatest extent possible, with the District retaining the right to make final assignments. If track

assignment agreement is not reached during the process, the site administrator shall consider the following criteria in assigning teachers:

~~(a)~~ ~~(a)~~—Seniority in the District.

~~(b)~~ ~~(b)~~—Seniority at the ~~worksite~~-work site

~~(c)~~ ~~(e)~~—Seniority at grade level or subject matter within the District.

~~2.~~ ~~2.~~—~~Unit members~~Employees assigned to the CSP as a result of a transfer request will be assigned to open track positions by the ~~worksites~~site administration.

~~3.~~ ~~3.~~—Unresolved conflicts regarding track assignment can be appealed to the Superintendent or his/her designee who will render a decision within ten (10) ~~workdays~~work days of written notice of appeal.

~~C.~~ ~~C.~~ The District shall transfer those ~~unit member~~employees electing not to work in ~~worksites~~work sites designated for CSP to a non-CSP ~~work site~~. ~~Unit members~~work site. Employees transferred under this provision shall have the rights and benefits provided in Article XV, Section 3 -- Involuntary Transfers. ~~Unit members~~Employees seeking transfers shall notify the District within ten (10) ~~workdays~~work days of the completion of track assignments as described in Section 2, subsection ~~1~~1 of this Article.

~~D.~~ ~~D.~~ ~~Transfer Into Continuous School Program~~—Within twenty~~–~~five (25) ~~workdays~~work days after notification of the District's intent to implement a CSP, the District shall post at all ~~worksites~~work sites any available openings in the ~~Continuous School Program~~. ~~Unit members~~CSP. Employees interested in applying for such positions shall notify the ~~Human Resources Office~~Department of Personnel O ce in writing. ~~Unit members~~Employees shall be selected according to the provisions of Article XV, Section 2 -- Voluntary Transfers.

~~E.~~ ~~E.~~ ~~Transfer From Continuous School Program -- End of First Year~~—Prior to April 15 of the end of the first year of the CSP, ~~a unit member~~an employee will notify the District, in writing, of his/her intention to transfer out of the CSP. Such ~~transfer~~transfers shall be limited to a non-CSP ~~worksite~~work site but shall otherwise carry with it all the benefits of an involuntary transfer. ~~Unit members~~Employees who wish to transfer to another CSP ~~worksite~~work site at any time during their first year or to transfer out of CSP after April 15 of their first year will be considered as voluntary transfers.

Section 3 -- Extended Year Assignment:

~~A.~~ ~~A.~~—The District will post openings for intersession assignments if it determines such sessions will be held. ~~Unit members~~Employees shall apply for intersession assignments, and selections for assignments shall be made as set forth in Appendix 9

Summer School. The District shall compensate the ~~unit member~~employee on intersession assignment at pro-rata summer school assignment rates.

~~B. B.~~ No ~~unit member~~employee will be required to work longer than one hundred eighty-two (182) ~~workdays~~work days, except as provided in Article X, Section 1 (new teachers), Article X, Section 3 (Psychologists for example), and Article X, Section 8 (Counselors).

~~C. C.~~ Consistent and quality Special Education services: i.e., LSH and RSP, will be offered across all tracks. No support services ~~unit member~~employee shall be required to work more than one hundred eighty-two (182) days. Support services ~~unit member~~employees may work up to two hundred ten (210) days upon their written agreement. Resource Specialists working ~~182 days will have a caseload of no more than twenty-eight (28), thirty-two (32) with a waiver. A support services unit member working more days will have their caseload increased proportionally. If the caseload for an LSH exceeds 60, the District shall make appropriate adjustments.~~one hundred eighty-two

~~D.~~ Unit members(182) days will have a case load of no more than twenty-eight (28), thirty-two (32) with a waiver. A support services employee working more days will have their case load increased proportionally. If the case load for an LSH exceeds 60, the District shall make appropriate adjustments.

~~D. Employees~~ shall submit a schedule of service days to the appropriate ~~supervisor~~site administrator at least ten (10) days prior to the beginning of the school year. No support services ~~unit member~~employee will be required to work a four (4) day work week. If the proposed schedule is disapproved, the reasons for disapproval shall be in writing upon request of the ~~unit member~~employee. If agreement is not reached, the proposed schedule will be submitted to the Superintendent or his/her designee for final approval.

~~E. E.~~ ~~Unit members~~Employees who agree to work such a additional days shall be compensated at their daily rate of pay for the extended ~~workwo~~ year. "CSP" shall be added to the position title, enabling the ~~unit member~~employee to receive full credit for the extra days toward their retirement.

Section 4 -- Communications:

~~A. A.~~ Each ~~CSP~~ site administrator shall communicate appropriate District announcements to employees who are off-track. Examples include information regarding applications for Consulting Teachers and Support Providers, extra-duty assignments, and faculty election matters.

~~B. B.~~—The District shall, upon request by ~~a unit member~~an employee, make a reasonable effort to notify that ~~unit member~~employee during intersession or off-track assignment of any appropriate posted openings ~~which~~that may arise during intersession or off-track assignment. The ~~unit member's~~employee's request shall be in writing and will include a mailing address.

Section 5 – Substitutes:

~~Unit members~~Employees not on duty status will be allowed but not required to substitute. ~~Unit members~~Employees shall be paid the long-term substitute rate of pay as established by the District. ~~Unit members~~Employees may substitute at all school sites.

Section 6 – Evaluation:

~~A. A.~~ ~~A unit member~~An employee in a CSP school shall be notified of the identity of his/her primary evaluator within thirty (30) calendar days of the beginning of his/her initial track of the year ~~in which~~that the evaluation is to take place.

~~B. B.~~ Observation and evaluation procedures and schedules shall be in accordance with Article XIII except the following:

1. Probationary ~~teacher~~employees shall have their first formal classroom ~~observation~~ servation within one hundred (100) calendar days of the beginning of his/her initial track.
2. Observations normally shall not be conducted ~~in~~ the first two (2) days an employee has returned on-track or the last two (2) days prior to the employee going off-track.

~~C. C.~~ Final evaluation conferences and written evaluations shall be held no later than thirty (30) calendar days for permanent employees and no later than sixty (60) calendar days for probationary employees before the end of the final track in the ~~unit member's~~employee's instructional year.

Section 7 – Room Assignments

~~A. A.~~ Every reasonable effort will be made to ensure that shared room assignments be equitably distributed at each CSP site. The site administrator will make room assignments after consultation with ~~the~~ affected teachers.

~~B. B.~~ When ~~teacher~~employees share a classroom, all ~~teacher~~employees will have appropriate availability for storage space in the room being shared.

~~C. C.~~ A "roving teacher" is a teacher in the CSP whose classroom assignment changes when the tracks change. The District will seek volunteers before making roving assignments.

Section 8 – Flexible Scheduling:

A. A. ~~A unit member~~An employee may be permitted to exchange instructional days with another ~~unit member~~employee at the same school site who is appropriately credentialed and on satisfactory status.

B. B.—An exchange contract will be agreed to between the two (2) teacheremployees and signed by each.

C. C.—The signed agreement shall then be submitted to the site principaladministrator for approval at least five (5) working days before the exchange. Specific arrangements will be noted on a standard District form. Exchange days will be limited to a maximum number of ten (10) days per work year.

D. D.—Failure to carry out the service obligations under the approved exchange agreement shall result in a loss of pay for the unit-memberemployee who fails the contractual agreement.

Section 9 – Program Termination or Modification of Track Schedule

A. If the District decides to eliminate CSP at one (1) or more sites, the District will provide the Association no less than one hundred twenty (120) calendar days' notice

B. If the District is considering modifying the number of tracks or track design at one (1) or more CSP sites, the District will provide the Association no less than ninety (90) calendar days' notice.

C. Within ten (10) workdays of the Governing Board's approval of the program changes, a-unit-memberan employee will notify the District, in writing, of his/her intention to transfer out of the site. Such unit-memberemployees shall have the right to indicate preferences from a list of vacancies if such vacancies exist and, if qualified, shall have preference over those employees seeking voluntary transfer in regard to choice among those positions which are vacant.

Section 10 – Salary:

A. A.—A-unit-memberAn employee assigned to a CSP position shall be compensated on the same base salary schedule as a-unit-memberan employee assigned to a traditional calendar position. Advancement on the salary schedule shall be as provided in Appendix A2-Article VIII “Wages”.

B. B.—If a-unit-memberan employee transfers into or out of a CSP site and in the process changes his/her pay cycle, the District will make every reasonable effort to accommodate the unit-member'semployee's pay cycle to minimize interruption of regular

pay warrants. Over or under payments that occur in any fiscal year will be handled as quickly and equitably as possible.

~~C. C.~~ Contingent upon County Office of Education approval and subsequent to appropriate payroll procedures being approved, ~~a bargaining unit member who if an employee~~ is involved in a transfer from a CSP school to a ~~traditional school, the District shall maintain the twelve (12) calendar month pay period at the bargaining member's request.~~

~~D. Unit~~ _____ ~~members~~

traditional school, the District shall maintain the twelve (12) calendar month pay period at the employee's request.

D. Employees who work in the CSP shall not be adversely affected by the application of the standards for salary schedule advancement or the standards for the determination of years of service credit as defined in Appendix A-2 Article VIII "Wages" of the Collective Bargaining Agreement.

Section 11 ~~–~~ Leaves.

A. A.—Unpaid leaves of absence shall be allowed based on the CSP calendar; i.e., leaves will correspond with the length of the teaching session.

B. B.—All other leave provisions continue as provided in Article XVI.

C. C.—~~A unit member~~An employee assigned to an intersession assignment shall have the same sick leave entitlement as provided to summer school assignments on a pro-rata basis.

D. D.—~~A unit member~~An employee whose assignment extends fifteen (15) ~~workdays~~work days more than a traditional assignment shall earn one (1) additional day for every fifteen (15) continuous ~~workdays~~work days thereafter.

E. E. ~~Bargaining unit members~~Employee may not use ~~personal business leave~~Personal Business Leave to extend holidays or scheduled recesses, on track change days, or on anya y student release days.

Section 12 ~~–~~ Hours of Employment.

Hours of Employment shall be ~~done~~ in accordance with the provisions of Article X of the collective bargaining agreementAgreement, except as provided belowbel :

A. A.—There shall be no more than one hundred and seventy~~–~~eight (178) instructional days per year for the duration of the Agreement.

B. B.—The length of the work year for employees shall not exceed one hundred eighty-two (182) days~~(182)~~, except that the District may require newly~~–~~hired teachers to work one (1) additional day. The work year shall include two (2) days prior to the opening of school for all returning employees; two (2) elementary parent conference days, unless the District and the Association mutually agree otherwise; plus track change days for teachers returning on track.

~~C. C.~~ On track change days, the ~~unit member~~employee coming on track may, with the consent of the site administrator, choose a delayed starting time (not to exceed two (2) hours). The ~~unit member's workday~~employee's work day shall not exceed seven and one-half (7 ~~1/2~~¹/₂) hours.

Section 13 -- Employee Preferences--

Track Assignments of Employee's Children ~~Unit members~~ Employees whose children attend CSP schools in the ~~Riverside Unified School~~ District shall be given priority during the registration process for scheduling of their children's track assignments.

Section 14 -- Combination Classes-- The District shall make a reasonable effort to restrict the number of combination classes on each track. Should combination classes become necessary, the District shall make a reasonable effort to restrict such combinations to two (2) contiguous grade levels.

SUSPENDED

RIVERSIDE UNIFIED SCHOOL DISTRICT Appendix 1

TEACHER SALARY SCHEDULE

Effective January 1, 2014

WORK YEAR: 185 DAYS

STEP	A	B	C	D
	BA to 44	MA or BA +45-59	MA +15 or BA +60	MA +30 or BA +75 Inc. MA
1	\$49,695	\$50,117	\$52,623	\$55,256
2	\$50,448	\$51,997	\$54,595	\$57,328
3	\$51,331	\$53,947	\$56,645	\$59,476
4	\$53,053	\$55,970	\$58,767	\$61,707
5	\$55,043	\$58,068	\$60,972	\$64,022
6	\$57,103	\$60,246	\$63,260	\$66,420
7	\$59,249	\$62,506	\$65,632	\$68,913
8	\$61,468	\$64,849	\$68,092	\$71,497
9	\$63,775	\$67,280	\$70,645	\$74,178
10	\$66,165	\$69,804	\$73,295	\$76,959
11	\$68,648	\$72,421	\$76,041	\$79,845
12	\$0	\$75,137	\$78,895	\$82,839
13	\$0	\$77,956	\$81,852	\$85,946
14	\$0	\$80,878	\$84,922	\$89,167

After June 30, 2007, no new hires shall be placed nor advance below the dotted lines. Only employees below the dotted lines prior to June 30, 2007, are eligible for step movement below the dotted lines.

Anniversary Increments - Only years of service in the Riverside Unified School District shall count toward anniversary increments. Calculation of anniversary increments are based on placement on the salary schedule.

*Salary Anniversary Increments shown below are based on the highest salary in columns A, B, C, & D.

20th Year*	\$70,364	\$82,900	\$87,045	\$91,396
24th Year*	\$72,080	\$84,922	\$89,168	\$93,626
28th Year*	\$73,796	\$86,944	\$91,291	\$95,855

An additional \$750 annual stipend will be paid to those employees who have earned a doctorate from an accredited university.

The units beyond the degree are semester units which have been earned after the degree has been conferred. To convert quarter units to semester units, multiply by 2/3. All units must be verified by transcripts showing a grade of "C" or better, and be approved courses.

RIVERSIDE UNIFIED SCHOOL DISTRICT Appendix 2

TEACHER SALARY SCHEDULE

Effective January 1, 2014

Per Diem Rates (185 DAYS)

STEP	A	B	C	D
	BA to 44	MA or BA +45-59	MA +15 or BA +60	MA +30 or BA +75 Inc. MA
1	\$268.62	\$270.90	\$284.45	\$298.68
2	\$272.69	\$281.07	\$295.11	\$309.88
3	\$277.46	\$291.60	\$306.19	\$321.49
4	\$286.77	\$302.54	\$317.66	\$333.55
5	\$297.53	\$313.88	\$329.58	\$346.06
6	\$308.67	\$325.65	\$341.94	\$359.02
7	\$320.26	\$337.87	\$354.77	\$372.50
8	\$332.26	\$350.53	\$368.07	\$386.47
9	\$344.73	\$363.68	\$381.86	\$400.96
10	\$357.65	\$377.32	\$396.19	\$416.00
11	\$371.07	\$391.47	\$411.03	\$431.59
12	\$0.00	\$406.15	\$426.46	\$447.78
13	\$0.00	\$421.38	\$442.44	\$464.57
14	\$0.00	\$437.18	\$459.04	\$481.98

After June 30, 2007, no new hires shall be placed nor advance below the dotted lines. Only employees below the dotted lines prior to June 30, 2007, are eligible for step movement below the dotted lines.

Anniversary Increments - Only years of service in the Riverside Unified School District shall count toward anniversary increments. Calculation of anniversary increments are based on placement on the salary schedule.

*Salary Anniversary Increments shown below are based on the highest salary in columns A, B, C, & D.

20th Year*	\$367.79	\$433.31	\$454.98	\$477.72
24th Year*	\$385.95	\$454.70	\$477.45	\$501.31
28th Year*	\$404.54	\$476.61	\$500.44	\$525.47

PROCEDURES FOR SALARY RECLASSIFICATION

For Traditional Year Employees

~~Employees planning to meet the requirements for a higher classification on the salary schedule effective with their September payroll should submit the form, "Request for Reclassification," to the Human Resources Office not later than June 30. Transcripts, or verification of courses in progress, must be submitted to the Human Resources Office by August 30. Reclassification on the basis of courses in progress will be granted with the understanding that if transcripts of completed work are not furnished by October 15 the employee will revert to the appropriate classification and an adjustment will be made.~~

employee's salary.

~~A second opportunity for higher classification shall be instituted. Ten-month employees planning to meet the requirements for a higher classification on the salary schedule effective with their February payroll should submit the form "Request for Reclassification," to the Human Resources Office not later than November 30. Transcripts, or verification of courses in progress, must be submitted to the Human Resources Office by January 30. Reclassification on the basis of courses in progress will be granted with the understanding that if transcripts of completed work are not furnished by March 15, the employee will revert to the appropriate classification and an adjustment will be made in the employee's salary.~~

~~**Effective July 1, 2008, employees may only advance one salary column per school year.**~~

An additional \$750 annual stipend will be paid to those employees who have earned a doctorate from an accredited university.

The units beyond the degree are semester units which have been earned after the degree has been conferred. To convert quarter units to semester units, multiply by 2/3. All units must be verified by transcripts showing a grade of "C" or better, and be approved courses.

RIVERSIDE UNIFIED SCHOOL DISTRICT
EXTENDED DAY SALARY SCHEDULE

Appendix 3

Effective January 1, 2014

An extended day assignment is that portion of a long-term classroom teaching assignment that is in excess of a full-time assignment. For example, if the full-time assignment of an employee in a secondary school is five (5) instructional periods, any additional class over five (5) periods daily is an extended day assignment. The hourly rate for such assignments shall be paid on the following schedule:

HOURLY RATE PER TEACHING HOUR

	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>
LEVEL I (Step 1-4)	\$44.07	\$46.20	\$48.55	\$50.94
LEVEL II (Step 5-8)	\$50.89	\$53.42	\$56.13	\$58.85
LEVEL III (Step 9-14)*	\$58.82	\$61.75	\$64.80	\$68.11

*The policies regarding the frozen steps of the regular teacher schedule apply to Extended Day.

Teachers with a sixth period extended day assignment shall be paid when absent from the assignment on Sick or Personal Business leave.

This salary schedule also applies to Home Hospital teachers.

RIVERSIDE UNIFIED SCHOOL DISTRICT Appendix 4A

SALARY PLACEMENT POLICIES FOR TEACHERPSYCHOLOGIST SALARY SCHEDULE

The Effective January 1,

2014 WORK YEAR: 193

STEP	SALARY
	<u>DAYS</u>
Intern	\$47,366
1	\$70,232
2	\$74,179
3	\$78,124
4	\$82,079
5	\$86,019
6	\$89,970
7	\$93,912
8	\$98,503
9	\$101,808

1. Initial step placement will be based upon:

a. Verifiable years of paid previous experience as a school psychologist or CWA consultant,

or

By determining employee's placement on the Teacher Salary Schedule is used for teachers, nurses, librarians, speech therapists, calculating daily rate, and counselors.

CLASSIFICATION A:

b. a) — Employees who hold the Bachelor's Degree, appropriate credentials, and who have earned less than forty-five (45) semester-hours of approved credit since completion then selecting the next higher

~~daily rate of the work for that degree. Course work must bear a grade of "C" or better to be considered. Employees hired after January 1, 2001, shall not be placed nor advanced beyond step "A-10" of the salaryabove schedule.~~

2. Interns, when reemployed as regular employees, will be placed on Step One (I).

3. Additional work days will be paid at the assigned daily rate.

RIVERSIDE UNIFIED SCHOOL DISTRICT Appendix 4B
PSYCHOLOGIST SALARY SCHEDULE
Effective January 1, 2014

WORK YEAR: 208 DAYS

STEP	SALARY
Intern	\$51,045
1	\$75,691
2	\$79,943
3	\$84,195
4	\$88,456
5	\$92,705
6	\$96,964
7	\$101,211
8	\$106,159
9	\$109,721

1. Initial step placement will be based upon:
 - a. Verifiable years of paid previous experience as a school psychologist or CWA consultant,
 - or
 - b. By determining employee's placement on the Teacher Salary Schedule, calculating daily rate thereon, and then selecting the next higher daily rate of the above schedule.
2. Interns, when reemployed as regular employees, will be placed on Step One (1).
3. Additional work days will be paid at assigned daily rate.

RIVERSIDE UNIFIED SCHOOL DISTRICT Appendix 5

SPEECH & LANGUAGE PATHOLOGIST SALARY SCHEDULE

Effective January 1, 2014

WORK YEAR: 185 DAYS

STEP	SALARY
Intern	\$43,130
1	\$63,956
2	\$67,547
3	\$71,141
4	\$74,741
5	\$78,332
6	\$81,930
7	\$85,519
8	\$89,698
9	\$92,709

Anniversary Increments - Only years of service in the Riverside Unified School District shall count toward anniversary increments. Calculation of anniversary increments are based on placement on the salary schedule.

*Salary Anniversary Increments shown below are based on the highest salary:

20 years*	\$95,026
24 years*	\$97,344
28 years*	\$99,662

RIVERSIDE UNIFIED SCHOOL DISTRICT

Appendix 6A

NURSE SALARY SCHEDULE

Effective January 1, 2014

WORK YEAR: 185 DAYS

STEP	SALARY
1	\$63,956
2	\$67,547
3	\$71,141
4	\$74,741
5	\$78,332
6	\$81,930
7	\$85,519
8	\$89,698
9	\$92,709

Anniversary Increments - Only years of service in the Riverside Unified School District shall count toward anniversary increments. Calculation of anniversary increments are based on placement on the salary schedule.

*Salary Anniversary Increments are shown below are based on the highest salary :

20th Year*	\$95,026
24th Year*	\$97,344
28th Year*	\$99,662

RIVERSIDE UNIFIED SCHOOL DISTRICT

Appendix 68

NURSE SALARY SCHEDULE

Effective January 1, 2014

WORK YEAR: 190 DAYS

<u>STEP</u>	<u>SALARY</u>
<u>1</u>	<u>\$65,684</u>
<u>2</u>	<u>\$69,374</u>
<u>3</u>	<u>\$73,064</u>
<u>4</u>	<u>\$76,761</u>
<u>5</u>	<u>\$80,449</u>
<u>6</u>	<u>\$84,144</u>
<u>7</u>	<u>\$87,831</u>
<u>8</u>	<u>\$92,122</u>
<u>9</u>	<u>\$95,200</u>

J

Anniversary Increments - Only years of service in the Riverside Unified School District shall count toward anniversary increments. Calculation of anniversary increments are based on placement on the salary schedule.

*Salary Anniversary Increments are shown below are based on the highest salary:

20th Year*	\$97,594
24th Year*	\$99,974
28th Year*	\$102,354

RIVERSIDE UNIFIED SCHOOL DISTRICT

Appendix 6C

NURSE SALARY SCHEDULE

Effective January 1, 2014

WORK YEAR: 200 DAYS

STEP	SALARY
1	\$69,142
2	\$73,024
3	\$76,908
4	\$80,801
5	\$84,683
6	\$88,573
7	\$92,453
8	\$96,972
9	\$100,225

Anniversary Increments - Only years of service in the Riverside Unified School District shall count toward anniversary increments. Calculation of anniversary increments are based on placement on the salary schedule.

*Salary Anniversary Increments are shown below on the highest salary:

20th Year*	\$102,731
24th Year*	\$105,236
28th Year*	\$107,742

RIVERSIDE UNIFIED SCHOOL DISTRICT Appendix 7
COUNSELOR SALARY SCHEDULE
Effective January 1, 2014

WORK YEAR: 200 DAYS - 8 HOURS/DAY

STEP	A	B	C	D
	BA to 44	MA or BA +45-59	MA +15 or BA +60	MA +30 or BA +75 Inc. MA
1	\$57,325	\$57,811	\$60,701	\$63,736
2	\$58,195	\$59,979	\$62,979	\$66,127
3	\$59,213	\$62,227	\$65,338	\$68,607
4	\$61,198	\$64,560	\$67,790	\$71,180
5	\$63,492	\$66,982	\$70,333	\$73,850
6	\$65,872	\$69,495	\$72,970	\$76,619
7	\$68,342	\$72,099	\$75,705	\$79,490
8	\$70,906	\$74,804	\$78,545	\$82,471
9	\$73,565	\$77,610	\$81,491	\$85,564
10	\$76,323	\$80,520	\$84,546	\$88,773
11	\$79,185	\$83,539	\$87,716	\$92,103
12	\$0	\$86,674	\$91,004	\$95,557
13	\$0	\$89,922	\$94,418	\$99,140
14	\$0	\$93,294	\$97,958	\$102,856

Anniversary Increments - Only years of service in the Riverside Unified School District shall count toward anniversary increments. Calculation of anniversary increments are based on placement on the salary schedule.

*Salary Anniversary Increments are shown below are based on the highest salary in columns A, B, C, & D:

20th Year*	\$81,165	\$95,626	\$100,407	\$105,427
24th Year*	\$83,144	\$97,958	\$102,856	\$107,999
28th Year*	\$85,124	\$100,291	\$105,305	\$110,570

CLASSIFICATION B:

- ~~a) Employees who hold the Master's Degree and appropriate credentials.~~
- ~~b) Employees who hold the Bachelor's Degree, appropriate credentials, and have earned less than sixty (60) approved semester units since completion of work for that degree. Course work must bear a grade of "C" or better to be considered.~~

CLASSIFICATION C:

~~a) Employees who hold the Master's Degree from a college or university, appropriate credentials, and have earned fifteen (15) approved~~

~~An additional \$750 annual stipend will be paid to those employees who have earned a doctorate from an accredited university.~~

~~The units beyond the degree are semester units since completion of that which have been earned after the degree. Course work must bear has been conferred. To convert quarter units to semester units, multiply by 2/3. All units must be verified by transcripts showing a grade of "C" or better to, and be considered approved courses.~~

RIVERSIDE UNIFIED SCHOOL DISTRICT Appendix 8
STAFF DEVELOPMENT SPECIALIST SALARY SCHEDULE
Effective January 1, 2014

WORK YEAR: 185 DAYS - 8 HOURS/DAY

STEP	A	B	C	D
	BA to 44	MA or BA +45-59	MA +15 or BA +60	MA +30 or BA +75 Inc. MA
1	\$53,023	\$53,475	\$56,147	\$58,956
2	\$53,829	\$55,480	\$58,255	\$61,165
3	\$54,773	\$57,561	\$60,440	\$63,461
4	\$56,608	\$59,719	\$62,706	\$65,841
5	\$58,730	\$61,959	\$65,058	\$68,310
6	\$60,931	\$64,283	\$67,497	\$70,872
7	\$63,217	\$66,694	\$70,027	\$73,530
8	\$65,588	\$69,195	\$72,653	\$76,287
9	\$68,049	\$71,790	\$75,380	\$79,147
10	\$70,599	\$74,482	\$78,205	\$82,116
11	\$73,246	\$77,274	\$81,139	\$85,194
12	\$0	\$80,172	\$84,180	\$88,389
13	\$0	\$83,178	\$87,339	\$91,704
14	\$0	\$86,297	\$90,612	\$95,143

Anniversary Increments - Only years of service in the Riverside Unified School District shall count toward anniversary increments. Calculation of anniversary increments are based on placement on the salary schedule.

*Salary Anniversary Increments are shown below are based on highest salary in columns A, B, C, & D:

20th Year*	\$75,077	\$88,454	\$92,877	\$97,522
24th Year*	\$76,908	\$90,612	\$95,143	\$99,901
28th Year*	\$78,739	\$92,769	\$97,408	\$102,279

~~b) Employees who have~~

~~An additional \$750 annual stipend will be paid to those employees who have earned a doctorate from an accredited university.~~

~~The units beyond the degree are semester units which have been earned less than seventy five (75) after the degree has been conferred. To convert quarter units to semester units since completion of the Bachelor's Degree. Course work must bear a grade of "C" or better to be considered.~~

CLASSIFICATION D:

~~—— a) —— Employees who hold the Master's Degree from a college or university, or have been granted the District Master's Equivalency, appropriate credentials, and who have earned thirty (30) or more approved semester units since the completion of that degree. Course work must bear, multiply by 2/3. All units must be verified by transcripts showing a grade of "C" or better to, and be considered approved courses.~~

RIVERSIDE UNIFIED SCHOOL DISTRICT Appendix 9
MISCELLANEOUS SALARY PROVISIONS SALARY SCHEDULE
 Effective January 1, 2014

BILP Contract	\$32.92 per hour assigned
Curriculum Development	\$32.92 per hour assigned
Elementary Class Dispersal	Current long-term substitute rate divided by the number of teachers taking students
Other Extra Duties Not Specified	\$32.92 per hour assigned
Saturday Supervision of Independent Study	\$32.92 per hour assigned
Saturday Inservice Attendance	\$23.21 per hour assigned
Attendance of other inservice classes for which the District offers employees pay to attend	\$23.21 per hour assigned
Substituting During Conference Period	20% of current long-term substitute rate
Workshop Presenter	\$43.51 per hour assigned
Time Keeper, Ticket Seller and Ticket Taker if not performing duties in Article X, Section 6	\$25.00 per assignment

All of the above assignments are voluntary with the exception of Substituting During
 Conference Period.

RIVERSIDE UNIFIED SCHOOL DISTRICT Appendix 10

COACHING STIPENDS - SALARY SCHEDULE

Effective January 1, 2014

STEP	COLUMN A x %	4%	5%	6%	7%	8%
1	\$49,695	\$1,988	\$2,485	\$2,982	\$3,479	\$3,976
2	\$50,448	\$2,018	\$2,522	\$3,027	\$3,531	\$4,036
3	\$51,331	\$2,053	\$2,567	\$3,080	\$3,593	\$4,106
4	\$53,053	\$2,122	\$2,653	\$3,183	\$3,714	\$4,244
5	\$55,043	\$2,202	\$2,752	\$3,303	\$3,853	\$4,403
6	\$57,103	\$2,284	\$2,855	\$3,426	\$3,997	\$4,568
7	\$59,249	\$2,370	\$2,962	\$3,555	\$4,147	\$4,740
8	\$61,468	\$2,459	\$3,073	\$3,688	\$4,303	\$4,917
9	\$63,775	\$2,551	\$3,189	\$3,827	\$4,464	\$5,102
10	\$66,165	\$2,647	\$3,308	\$3,970	\$4,632	\$5,293

~~b) — Employees who have earned seventy-five (75) approved semester units since completion of the Bachelor's Degree and also hold a Master's Degree from a college or university, or have been granted the District Master's Equivalency and have earned seventy-five (75) approved semester units since completion of the Bachelor's Degree.~~

DOCTORATE

~~An additional \$750 will be added to the annual contract rate for those employees who hold earned doctorate degrees (Ph.D., Ed.D.) from a college or university accredited by the Western Association of Schools and Colleges or an equivalent accrediting association.~~

SALARY COMPUTATION

~~The District adopts the school calendar which determines the number of days an employee is required to be in attendance. Computation of the daily rate, in accordance with Education Code §45041, will be the basis for payroll deductions or for a work period less than the normal full year.~~

PLACEMENT ON SCHEDULE

~~At date of hire, each employee is required to submit to the Human Resources Office a complete set of transcripts to support placement on the salary schedule. Such placement will not be effective until these transcripts have been accepted and approved. Paychecks will be subject to withholding by the District if transcripts are not received within thirty (30) days of employment.~~

~~Employees hired for the full second semester shall receive a contract for not less than 50% of their annual rate of pay as determined by proper step and column placement. Employees hired at any time during the school year other than the semester break will have their salary computed on a work-day basis.~~

CREDIT FOR PREVIOUS TEACHING EXPERIENCE

~~New employees who have been employed in positions requiring certification in other school districts prior to employment in Riverside Unified are entitled to one (1) step on the salary schedule for every full year of such outside experience. The maximum allowance is five (5) steps for five (5) or more years of such prior experience. Employees whose initial work year commences on or after July 1, 1986, and hold an appropriate California credential shall be given full credit for previous experience. A full year of credit will be given for a partial year of employment if it involves a full semester or more. Two (2) part-time years would not count for more than one (1) year of credit.~~

~~Initial Step Placement for Nurses: Effective July 1, 2002, School Nurses shall be granted up to fourteen (14) years salary schedule credit as follows: One (1) year of credit for at least 75% of a full year of previous full-time experience within the last sixteen (16) years as a School Nurse, a public health nurse or as a licensed Registered Nurse in a hospital/clinic. In no case, however, will previous experience be credited unless the School Nurse held a bachelor's degree in nursing, and if said experience was rendered in a setting comparable to a school district as determined by the District.~~

~~Initial Step Placement for Speech and Language Pathologist: Effective July 1, 2002, Speech and Language Pathologist shall be granted up to fourteen (14) years salary schedule credit as follows: One (1) year of credit for at least 75% of a full year of previous full-time experience within the last sixteen (16) years as a Speech and Language Pathologist in a public school district, or as a licensed Speech Therapist/Pathologist in a hospital/clinic. In no case, however, will previous experience be credited unless the Speech and Language Pathologist held a bachelor's degree or higher in Speech and if said experience was rendered in a setting comparable to a school district as determined by the District~~

~~Service is recognized if it is determined by the District to be equivalent to public school service experience in private schools, parochial schools, or Peace Corps.~~

~~Only as stated subsequently will credit be given for military service:~~

- ~~1. Teaching experience done while in the service may be counted if it is considered by the District to be equivalent to full-time public school teaching.~~
- ~~2. When an employee of the District is called into the military service, he shall be guaranteed a position upon returning and the District shall recognize the years in the military service as additional years of teaching experience.~~

~~RE-EMPLOYMENT OF PERMANENT EMPLOYEES~~

~~When any employee, who at the time of termination was classified as permanent, is re-employed after an absence of more than thirty nine (39) months, the governing board shall classify such employee as probationary with only the rights and privileges to which this classification is entitled. Maximum salary placement for such employees will be the same as that for new employees.~~

~~When any employee, who at the time of termination was classified as permanent, is re-employed within thirty nine (39) months, the governing board shall classify such employee as permanent with all the rights, benefits, and responsibilities of a permanent employee. Salary placement will be one (1) step beyond that which such employee had at the time of termination if beyond the maximum step allowable for new employees and within the current salary schedule.~~

~~PROCEDURES FOR SALARY RECLASSIFICATION~~

~~For Traditional Year Employees~~

~~Employees planning to meet the requirements for a higher classification on the salary schedule effective with their September payroll should submit the form, "Request for Reclassification," to the Human Resources Office not later than June 30. Transcripts, or verification of courses in progress, must be submitted to the Human Resources Office by August 30. Reclassification on the basis of courses in progress will be granted with the understanding that if transcripts of completed-~~

~~work are not furnished by October 15, the employee will revert to the appropriate classification and an adjustment will be made in the employee's salary.~~

~~A second opportunity for higher classification shall be instituted. Ten-month employees planning to meet the requirements for a higher classification on the salary schedule effective with their February payroll should submit the form "Request for Reclassification," to the Human Resources Office not later than November 30. Transcripts, or verification of courses in progress, must be submitted to the Human Resources Office by January 30. Reclassification on the basis of courses in progress will be granted with the understanding that if transcripts of completed work are not furnished by March 15, the employee will revert to the appropriate classification and an adjustment will be made in the employee's salary.~~

~~Effective July 1, 2008, employees may only advance one salary column per school year.~~

~~For Continuous School Program Employees~~

~~Employees planning to meet the requirements for a higher classification on the salary schedule effective with their July payroll should submit the form, "Request for Reclassification," to the Human Resources Office not later than April 30. Transcripts or verification of courses in progress must be submitted to the Human Resources Office by June 30. Reclassification on the basis of courses in progress will be granted with the understanding that if transcripts of completed work are not furnished by August 15, the employee will revert to the appropriate classification and an adjustment will be made in the employee's salary.~~

~~Effective July 1, 2002 a second opportunity for higher classification shall be instituted. Twelve-month employees planning to meet the requirements for a higher classification on the salary schedule effective with their January 30 payroll should submit the form "Request for Reclassification," to the Human Resources Office not later than October 30. Transcripts, or verification of courses in progress, must be submitted to the Human Resources Office by December 30. Reclassification on the basis of courses in progress will be granted with the understanding that if transcripts of completed work are not furnished by February 15, the employee will revert to the appropriate classification and an adjustment will be made in the employee's salary.~~

~~For All Employees~~

~~All course work must be approved by the District before it can be counted toward salary reclassification. The criteria for such approval shall be that the course completed must be taken at a college accredited by the Western Association of Schools and Colleges or an equivalent accrediting association; that the grade earned by the employee is no lower than "C" and that the course content is such that the course is part of the employee's progress toward an advanced degree, or acceptable as part of the employee's progress toward a specified California credential, or toward the employee's improvement of teaching methods, or evidences further study by the employee of a subject commonly taught in Riverside Unified School District.~~

~~New employees must submit a complete set of transcripts to the Human Resources Office within thirty (30) days of employment. Any work taken beyond the Bachelor's Degree at time of employment must receive the approval of the District in order to meet the requirements for initial placement and consideration for future salary reclassifications. This set of transcripts must remain in the employee's file.~~

INCREMENT

~~An employee completing service of a minimum of a semester under contract shall receive a step increment on the salary schedule if re-employed the following year.~~

~~ANNIVERSARY INCREMENT~~

Definition

~~The Anniversary Increment is recognition of employees who, in positions requiring certification, have given satisfactory service to the District and community for many years.~~

~~Service is interpreted as regular contract employment in a position requiring certification of not less than 60 percent of full time, summer service is not applicable. District granted medical or military leave shall be counted in the years of service.~~

Requirement

~~Service as employee in the District in accordance with definition above.~~

Stipend

- ~~1. At the beginning of the school year following the completion of nineteen (19) years of service in the District, an employee's contract shall include a 2.5% stipend.~~
- ~~2. At the beginning of the school year following the completion of twenty three (23) years of service in the District, an employee's contract shall include a 5% stipend.~~
- ~~3. At the beginning of the school year following the completion of twenty seven (27) years of service in the District, an employee's contract shall include a 7.5% stipend.~~

~~An employee who works 75% of any school year shall be given service credit for one (1) full year.~~

~~RIVERSIDE UNIFIED SCHOOL DISTRICT~~

~~MISCELLANEOUS SALARY PROVISIONS~~

~~Effective July 1, 2008~~

~~(Changes subject to Ratification, April/May, 2011)~~

BILP Contract	\$31.06 per hour assigned
Curriculum Development	\$31.06 per hour assigned
Elementary Class Dispersal	Current long-term substitute rate divided by the number of teachers taking students
Other Extra Duties Not Specified	\$31.06 per hour assigned
Saturday Supervision of Independent Study	\$31.06 per hour assigned
Saturday Inservice Attendance	\$21.90 per hour assigned
Attendance of Other Inservice Classes for Which the District Offers Employees Pay to Attend	\$21.90 per hour assigned
Substituting During Conference Period	20% of current long-term substitute rate

~~Workshop Presenter~~ ~~\$41.05 per hour assigned~~

~~**Time Keeper, Ticket Seller, & Ticket Taker**~~ ~~**\$25 per assignment**~~
~~**(if not performing duties in Article X, Section 6)**~~

~~All of the above assignments are voluntary with the exception of Substituting During Conference and mandated Project Inservice attendance.~~

The above schedule is for either men's or women's sports.

BASEBALL

7% Varsity Head
6% Varsity Asst.
6% J.V. Head
6% Frosh/Soph Head

CROSSCOUNTRY

6% Head
5% Asst.

SOCCER

6% Head
5% Asst.
5% J.V.

TENNIS

6% Varsity Head
5% Asst.

BASKETBALL

7% Varsity Head
6% Varsity Asst.
6% J.V. Head
6% Frosh/Soph Head

FOOTBALL

8% Varsity Head
6% Varsity Asst.
6% J.V. Head
5% J.V. Asst.
6% Frosh/Head
5% Frosh/Asst.

SOFTBALL

7% Varsity Head
6% Asst.
6% J.V. Head

TRACK

6% Varsity Head
5% Asst.

SWIMMING

6% Varsity Head
5% Asst.

GOLF

4% Varsity Head

WRESTLING

6% Varsity Head
5% Asst.

VOLLEYBALL

6% Head
5% Asst.

WATER POLO

6% Head
5% Asst.

TRAINER

4% Per Session

SPRING FOOTBALL: \$356 per year per school

The steps indicate years of verified paid experience in this activity in RUSD or other school districts.

Summer Sports Camp: \$32.92 per hour (maximum hours pre-approved and paid by Booster Club)

RIVERSIDE UNIFIED SCHOOL DISTRICT Appendix 11
EXTRA DUTY ANNUAL STIPENDS - SALARY SCHEDULE
 Effective January 1, 2014

STEP	COLUMN A x %	1.7%	3%	4%	6%	8%
1	\$49,695	845	1,491	1,988	2,982	3,976
2	\$50,448	858	1,513	2,018	3,027	4,036
3	\$51,331	873	1,540	2,053	3,080	4,106
4	\$53,053	902	1,592	2,122	3,183	4,244
5	\$55,043	936	1,651	2,202	3,303	4,403
6	\$57,103	971	1,713	2,284	3,426	4,568
7	\$59,249	1,007	1,777	2,370	3,555	4,740
8	\$61,468	1,045	1,844	2,459	3,688	4,917
9	\$63,775	1,084	1,913	2,551	3,827	5,102
10	\$66,165	1,125	1,985	2,647	3,970	5,293

Summer Sports Camp: \$31.06 per hour (maximum hours pre-approved and paid by Booster Club)

**

One. Seven Percent 1.7%
Elementary School Team Leader

Three Percent (3%)

SST Chair
Future Business Leaders of America
Model U.N. **
Bilingual Teachers in bilingual classroom settings/dual immersion program, BCC/BCLAD certification

Six Percent (6%)

High School Yearbook
High School Orchestra
High School Newspaper
Middle School Band Director
Junior or Senior Class Advisor

Four Percent (4%)

Academic Competition Advisor **
Flag Advisor
Freshman or Sophomore Class Advisor
Winter Guard
High School Drama, Assistant Teacher
High School Magazine
High School Concert Band
High School Marching Band, Assistant Director
Middle School Intramurals
Middle School Yearbook Sponsor
Middle School Choir Director
Middle School Orchestra
Middle School Dance

Eight Percent (8%)

High School Marching Band*
High School Drama
High School Pep Squad*
High School Drill Team*
High School Dance
High School Choir
High School Speech & Forensics
High School Director of Activities
 (with no released time)

Middle School Drill Team (1/2 stipend if team has class-time practice)
Middle School Student Council Advisor (1/2 stipend if assigned as a regular class)

The steps indicate years of verified paid experience in this activity in RUSD or other school districts.

* Directors shall receive a weekly prorate of their stipend for each week of CIF playoff competition, if their unit performs.

** Academic Competition advisors shall receive an additional 25% of their stipend if team advances to state level, and an additional 25% if team advances to national competition. Academic competitions are based upon regular practice; coaching; teaching or training students; team activity; a ~~defined season; and multiple competitions.~~
defined season; and multiple competitions.

TEACHER GROUP LEADERS

Secondary Schools: ~~-\$49.13~~\$52 per class section in department (without release time)
(Minimum = \$~~736~~780, Maximum = \$~~2,457~~2604)

RIVERSIDE UNIFIED SCHOOL DISTRICT Appendix 12 A
SECONDARY SUMMER SCHOOL SALARY SCHEDULE

**Five (5) Hour Summer
Schedule**

Effective January 1, 2014

(Applies only to sessions authorized by the District)

DAILY RATE

	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>
LEVEL I (Step 1-4)	\$218.15	\$228.70	\$240.36	\$252.17
LEVEL II (Step 5-8)	\$251.91	\$264.47	\$277.88	\$291.34
LEVEL III (Step 9-14)	\$291.18	\$305.70	\$320.81	\$337.19

District Procedures for Placement on Schedule

Placement on the above schedule for the summer session will be with the normal increment for employees. No reclassifications can be considered. Summer School payment will be made on the next County pay cycle following the last day of the summer session, but no later than ten (10) days after the termination of the services.

Summer School is paid on a daily rate with the calendar determining the number of days in the session. **The salary schedule above reflects a five hour teaching schedule, exclusive of a twenty-minute passing period.**

Applicants not in the employ of this district shall not be hired for any summer school teaching position for which there is a qualified district employee available with recent experience teaching in that subject area; (i.e. math, science, social studies, etc.). Current employees with clear credentials appropriate to the position shall be hired before applicants with emergency credentials. When there are two (2) or more current employee applicants with clear and appropriate credentials, priority shall be given to the one with recent (within the past three (3) years) experience or special training in the course to be taught. Teachers whose most recent written evaluation has been marked “unsatisfactory” shall lose their priority hiring status.

Out-of-District employees assigned to summer school duties will be placed on Level I based on transcript verification of column placement. Former employees who return for just summer school employment will be considered "Out-of-District" employees and will be placed on Level I of transcript-verified column placement.

Employees assigned to serve as substitute teachers for the summer program will be placed on the schedule as if assigned to the regular summer school assignment.

AGREE:

For the District

For the Association

Date _____

Date _____

**RIVERSIDE UNIFIED SCHOOL DISTRICT
EXTRA-DUTY PAY SCHEDULE-ANNUAL STIPENDS
Effective January 1, 2008**

<u>STEP</u>	<u>COLUMN</u>					
	<u>1.7%</u>	<u>3%</u>	<u>4%</u>	<u>6%</u>	<u>8%</u>	
1	\$46,882	\$797	\$1,407	\$1,876	\$2,813	\$3,751
2	\$47,592	\$809	\$1,427	\$1,903	\$2,855	\$3,807
3	\$48,425	\$823	\$1,452	\$1,937	\$2,906	\$3,874
4	\$50,050	\$851	\$1,502	\$2,002	\$3,003	\$4,004
5	\$51,927	\$883	\$1,557	\$2,077	\$3,117	\$4,154
6	\$53,871	\$916	\$1,616	\$2,154	\$3,233	\$4,310
7	\$55,895	\$950	\$1,678	\$2,236	\$3,354	\$4,471
8	\$57,989	\$986	\$1,740	\$2,320	\$3,478	\$4,639
9	\$60,165	\$1,023	\$1,805	\$2,407	\$3,610	\$4,814
10	\$62,420	\$1,061	\$1,872	\$2,497	\$3,746	\$4,993

1.7%

Elementary School Team Leader

Three Percent (3%)

SST Chair

Future Business Leaders of America

Future Business Leaders of America

Model U.N.*

Bilingual Teachers in bilingual classroom settings/dual immersion program, BCC/BCLAD certification

Six Percent (6%)

High School Yearbook

High School Orchestra

High School Newspaper

Middle School Band Director

Junior or Senior Class Advisor

Four Percent (4%)

Academic Competition Advisor

Flag Advisor

Freshman or Sophomore Class Advisor

Winter Guard

High School Drama, Assistant Teacher

High School Magazine

High School Concert Band

Forensics

High School Marching Band, Assistant Director

Middle School Intramurals

Middle School Yearbook Sponsor

Middle School Choir Director

Middle School Orchestra

Middle School Dance

Middle School Drill Team (1/2 stipend if team has class time practice)

Middle School Student Council Advisor (1/2 stipend if assigned as a regular class)

Eight Percent (8%)

High School Marching Band *

High School Drama

High School Pep Squad *

High School Drill Team *

High School Dance

High School Choir

High School Speech and

The steps indicate years of verified paid experience in this activity in RUSD or other school districts.

* Directors shall receive a weekly prorate of their stipend for each week of CIF playoff competition, if their unit performs.

~~** Academic Competition advisors shall receive an additional 25% of their stipend if team advances to state level, and an additional 25% if team advances to national competition. Academic competitions are based upon regular practice; coaching; teaching or training students; team activity; a defined season; and multiple competitions.~~

TEACHER GROUP LEADERS

~~Secondary Schools: \$49.13 per class section in department (without release time)
(Minimum = \$736, Maximum = \$2,457)~~

AGREE:

For the District

For the Association

Date _____

Date: _____

District Procedures for Placement on Schedule

~~Placement on the above schedule for the summer session will be with the normal increment for employees. No reclassifications can be considered. Summer School payment will be made on the next County pay cycle following the last day of the summer session, but no later than ten (10) days after the termination of the services.~~

~~Summer School is paid on a daily rate with the calendar determining the number of days in the session. **The salary schedule above reflects a five hour teaching schedule, exclusive of a twenty minute passing period.**~~

~~Applicants not in the employ of this district shall not be hired for any summer school teaching position for which there is a qualified district employee available with recent experience teaching in that subject area; (i.e. math, science, social studies, etc.). Current employees with clear credentials appropriate to the position shall be hired before applicants with emergency credentials. When there are two or more current employee applicants with clear and appropriate credentials, priority shall be given to the one with recent (within the past three (3) years) experience or special training in the course to be taught. Teachers whose most recent written evaluation has been marked "unsatisfactory" shall lose their priority hiring status.~~

~~Out of District employees assigned to summer school duties will be placed on Level I based on transcript verification of column placement. Former employees who return for just summer school employment will be considered "Out of District" employees and will be placed on Level I of transcript verified column placement.~~

~~Employees assigned to serve as substitute teachers for the summer program will be placed on the schedule as if assigned to the regular summer school assignment.~~

Summer school employees who split a full assignment (not less than 14 days) shall each be entitled to one-half (1/2) day of ~~sick leave~~Sick Leave during the summer session. Unused summer sick leave will be credited to the employee's regular ~~sick leave~~Sick Leave balance.

RIVERSIDE UNIFIED SCHOOL DISTRICT **Appendix 13**

ROTC SALARY SCHEDULE

Effective January 1, 2014

WORK YEAR: 215 DAYS

STEP	V NCO INSTRUCTOR	W SENIOR INSTRUCTOR
1	\$41,074	\$61,476
2	\$42,883	\$63,279
3	\$44,673	\$65,069
4	\$46,482	\$66,867
5	\$48,272	\$68,667
6	\$50,079	\$70,470
7	\$51,869	\$72,266
8	\$53,670	\$74,061
9	\$55,473	\$75,848
10	\$57,263	\$77,653
11	\$59,059	\$79,449
12	\$60,855	\$81,254

Entry on the scale will be at the nearest dollar figure as computed by subtracting retirement pay from active duty pay allowances.

Employees paid on this schedule normally shall have the days of winter and spring recess as off-duty days. However, if some circumstances relating directly to the ROTC Program require the attention and presence of the ROTC employees, and these employees work one or more days during these recess periods, they shall do so without additional remuneration. These employees work a twelve (12) month year but are entitled to twenty (20) days off duty during the months of July and August. Actual days off duty shall be cleared in advance with the principal of the school to which the employee is assigned.

RIVERSIDE UNIFIED SCHOOL DISTRICT
ADULT & ALTERNATIVE EDUCATIONAL SERVICES SALARY SCHEDULE Appendix 14A
 Effective January 1, 2014

This schedule is to be used for hourly Probationary and Permanent teachers in Adult & Alternative Educational Services.

**HOURLY PROBATIONARY & PERMANENT ADULT & ALTERNATIVE
 EDUCATIONAL SERVICES EMPLOYEES ONLY**

Adult & Alternative Educational Services teachers shall be paid the appropriate hourly rate for each class assigned as long as that class is maintained. These employees shall be paid monthly.

Whenever, in the judgment of the site administrator, the instructional hours of a full-time permanent employee's assignment can be accurately estimated annually, that employee shall be paid an annual salary for the work year. This salary shall be paid in equal monthly installments. The salary shall be computed by multiplying the hourly rate appropriate to the individual employee by the total number of instructional hours in the annual assignment of the permanent employee. This provision shall not apply to summer school or other special short-term assignments.

If enrollment or funding changes force the diminishment of a permanent employee's teaching assignment and there is no other appropriate class to which the permanent employee may be assigned, then the permanent employee's annual salary will be diminished in proportion to the reduction in instructional hours. permanent and probationary employees who are actually teaching in one or more Adult & Alternative Educational Services classes and who serve as Adult & Alternative Educational Services substitutes, day or evening, will be paid on their correct column and step placement for substituting according to the schedule on this page.

HOURLY RATE PER TEACHING HOUR

	A	B	C	D	E	F
LEVEL I (Step 1-4)	\$41.75	\$43.83	\$46.05	\$48.33	\$50.71	\$53.25
LEVEL II (Step 5-8)	\$48.24	\$50.66	\$53.21	\$55.87	\$58.67	\$61.53
LEVEL III (Step 9-14)*		\$58.65	\$61.47	\$64.61	\$67.76	\$71.21

*The policies regarding the frozen steps of the regular teacher schedule apply to Adult & Alternative Educational Services.

RIVERSIDE UNIFIED SCHOOL DISTRICT Appendix 14B
ADULT & ALTERNATIVE EDUCATIONAL SERVICES SALARY SCHEDULE

Effective **July 1, 2008**

~~1% Increase Over~~ January 1, ~~2008~~2014

This schedule is to be used for Substitutes and Temporary teachers in Adult & Alternative ~~Educational~~Education Services. Individuals who serve as Evening Substitutes ~~for~~in Adult & Alternative Educational Services will be placed at column A-~~Step, step~~ 1 of this schedule. Day Substitutes will be paid at the regular substitute rate.

HOURLY SUBSTITUTES TEMPORARY ADULT & ALTERNATIVE EDUCATIONAL SERVICES TEACHERS

Adult & Alternative Educational Services substitutes and teachers defined as temporary will receive an hourly rate from A-Level I up to C-Level II of the Adult & Alternative Educational Services Salary Schedule. Placement will be in accordance with placement policies established for the regular teacher schedule. Temporary AACES teachers who are actually teaching one or more classes and who serves as AACES substitutes, day or evening, will be paid on their correct column and step (from A-Level I up to C-Level II) for substituting according to the schedule on this page.

HOURLY RATE PER TEACHING HOUR

	A	B	C
LEVEL I (Step 1-4)	\$41.75	\$43.83	\$46.05
LEVEL II (Step 5-11)	\$48.24	\$50.66	\$53.21

CLASSIFICATION A:

a) ~~a)~~ — Employees who hold the standard ~~Bachelor's~~Bachelor's Degree from a four-year college or university and who have fewer than fifteen (15) semester units of education since completing the work for that degree.

b) ~~b)~~ — Employees who do not hold Bachelor Degrees.

CLASSIFICATION B:

a) Employees who hold the ~~Bachelor's~~Bachelor's Degree and ~~who~~ have earned fifteen (15) semester hours of approved credit since completion of the work for that degree. Course work must bear a grade of ~~"C"~~"C" or better to be considered.

CLASSIFICATION C:

a) Employees who hold the ~~Bachelor's~~Bachelor's Degree and ~~who~~ have earned thirty (30) semester hours of approved credit since completion of the work for that degree. Course work must bear a grade of ~~"C"~~"C" or better to be considered.

RIVERSIDE UNIFIED SCHOOL DISTRICT Appendix 15
PRESCHOOL INSTRUCTOR SALARY SCHEDULE
Effective January 1, 2014

WORK YEAR: 185 DAYS (8 HOURS - 10 MONTHS)

Step	1	2	3	4	5
<u>SCHEDULE K:</u>					
Annual	\$36,444	\$38,267	\$40,184	\$42,189	\$44,305
Daily	\$196.99	\$206.85	\$217.21	\$228.05	\$239.49

<u>SCHEDULE L:</u>					
Annual	\$38,267	\$40,184	\$42,189	\$44,305	\$46,510
Daily	\$206.85	\$217.21	\$228.05	\$239.49	\$251.40

Placement Procedures:

- a. Schedule K: Preschool instructors possessing an emergency or provisional Child Care Permit.

- Schedule L: Preschool instructors possessing a regular Child Care Permit or a Regular elementary teaching credential.

- b. Step Placement: One step for each year of verified experience as a preschool Instructor or as an elementary teacher.

- c. Salaries: Salaries on the schedule are annual rates, based upon a regular teacher work year and an eight-hour (8) workday.



**Board Meeting Agenda
December 8, 2014**

Topic: Certificated Personnel Assignment Order – CE 14/15-09 and
Classified/Non-Classified Personnel Assignment Order CL 14/15-09

Presented by: Kylee Ybarra, Director, Certificated Personnel–Leadership and Development
Vanessa Connor, Director, Classified Personnel–Leadership and Development

Responsible
Cabinet Member: Susan Mills, Assistant Superintendent, Department of Personnel–Leadership
and Development

Type of Item: Consent

Short Description: The latest District’s management, certificated and classified personnel
actions are presented to the Board of Education for approval.

DESCRIPTION OF AGENDA ITEM:

Board approval is requested of the District’s latest management, certificated and classified
personnel actions, which include the following:

Change in Status from Substitute Employee to Regular Employee, Increase in Hours/Work Year,
Leaves, New Hires, New Hires—Probationary 1, New Hires-Temporary Employees (E.C.
§44920), Promotions, Rehires, Rehires-Temporary Employee (E.C. §44909), Resignations,
Retirements, Substitutes, Temporarily Assigned to a Higher Classification, Temporarily
Assigned to a Higher Classification-Managers, and Voluntary Demotions/Reassignments/
Reductions/Transfers.

FISCAL IMPACT: To be determined

RECOMMENDATION: It is recommended that the Board of Education approve the District’s
latest personnel actions for both certificated and classified.

ADDITIONAL MATERIAL: Certificated Personnel Assignment Order – CE 14/15-09 and
Classified/Non-Classified Personnel Assignment Order CL 14/15-09

Attached: Yes

CERTIFICATED PERSONNEL ASSIGNMENT ORDER #CE 14/15-09

December 8, 2014

CERTIFICATED PERSONNEL

Leaves

Andrew Jackson Elementary School (Personal Unpaid Leave) Hines, Carol	Teacher	12/01/14 – 06/11/15
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Secondary Site (Paid Administrative Leave) 14/15-195636	Teacher	10/07/14 – 11/6/14
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Management – Promotion

Secondary Education Kanatzar, Rochelle	ISS – MTSS	12/02/14
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New Hires – Probationary 1

Secondary Education Ibao, Mario Marlon	TSA / READ 180	11/10/14
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New Hires – Temporary Employees (E.C. §44920)

Patricia Beatty Elementary School Leyde, Taryn	Teacher	11/20/14
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Henry W. Longfellow Elementary School Des Combes, Aaron	Teacher	11/18/14
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Rehires – Temporary Employee (E.C. §44909)

Patricia Beatty Elementary School Carrera, Efrain	Teacher	11/12/14
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Resignations

Pachappa Elementary School
Murphy, Erica

Teacher

11/28/14

Substitutes

Bryan, Evan	Substitute Teacher	11/10/14
Cannon, Elizabeth	Substitute Teacher	11/06/14
Cervantes, Ravyn	Substitute Teacher	11/13/14
Conn, Gayle	Substitute Teacher	11/05/14
Cuellar, Christina	Substitute Teacher	11/10/14
Diaz, Sergio	Substitute Teacher	11/04/14
Fakhreddine, Fatema	Substitute Teacher	11/13/14
Favela, Daniel	Substitute Teacher	11/12/14
Hansen, Erin	Substitute Teacher	11/04/14
Juarez, Jasmine	Substitute Teacher	11/13/14
Lugo, Erin	Substitute Teacher	11/07/14
Marsh, Nathalie	Substitute Teacher	11/07/14
Mason, Joseph	Substitute Teacher	11/04/14
Moore, Deanna	Substitute Teacher	11/14/14
Retzer, Rosa	Substitute Teacher	11/13/14
*Sandoval, Mari	Substitute Teacher	11/12/14
Sommers, Larissa	Substitute Teacher	11/04/14
Tartir, Janet	Substitute Teacher	11/07/14
Thomson, Matthew	Substitute Teacher	11/14/14
Valdez IV, James	Substitute Teacher	11/10/14
Ward, Danielle	Substitute Teacher	11/04/14
Welch, Mary	Substitute Teacher	11/04/14
Williams, Gitta	Substitute Teacher	11/10/14
Wohler, Nicole	Substitute Teacher	11/10/14

**Pursuant to Board Policy #4112.81*

CLASSIFIED/NON-CLASSIFIED PERSONNEL ASSIGNMENT ORDER #CL 14/15-09
December 8, 2014

CLASSIFIED PERSONNEL

Change in Status from Substitute Employee to Regular Employee

Arlington High School Gutierrez, Jael	Translator	10 months, 4 hours	11/10/14
Frank Augustus Miller Middle School Tinker, Kelly C.	School Office Assistant	10 months, 2 hours	11/17/14
Mountain View Elementary School Pereyda, Bridget L.	Instructional Assistant – Special Education I	10 months, 5 hours	11/18/14
John W. North High School Quintero, Lydia A.	School Office Assistant	10 months, 8 hours	11/14/14
Sunshine Early Childhood Center Cisneros, Justine B.	Instructional Assistant – Preschool	10 months, 3 hours	11/05/14

Increase in Hours/Work Year

Research, Assessment and Evaluation Gaeta, Patricia R.	Bilingual Language Evaluator	From: 11 months/year To: 12 months/year	10/16/14
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Leaves

Monroe Elementary School Huerta, Mayra P.	Cafeteria Worker II	CFRA Leave	12/10/14 – 02/16/15
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Leaves - Continued

Ramona High School Collins, Cynthia M.	Assistant Principal's Secretary	FMLA Leave	11/10/14 – 12/05/15
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New Hires

Special Education Buitrago Morales, Fabian A.	District Translator	10 months, 8 hours	11/17/14
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Promotions

Turner, Cynthia L.	From: Riverside Polytechnic High School, Instructional Assistant – Special Education I, 10 months, 4 hours	To: Riverside Polytechnic High School, Instructional Assistant – Special Education II, 10 months, 6 hours	11/14/14
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Rehires

University Heights Middle School Jimenez, Yadira F.	Instructional Assistant – Special Education I	10 months, 5 hours	11/17/14
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Resignations

Department of Personnel- Leadership and Development Landry, Michelle E.	Human Resources Office Assistant	4 months of service	11/13/14
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Retirements

Arlington High School Chavira, Stella	Instructional Assistant – Special Education I	24 years, 4 months of service	02/28/15
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Retirements - Continued

Highland Elementary
School

Hofer, Marcella S.	Assistant Principal's Secretary	8 years, 8 months of service	12/01/14
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Sierra Middle School

Contreras, Jeffrie A.	Attendance Assistant II	18 years, 9 months of service	02/01/15
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Temporarily Assigned to a Higher Classification

Arlington High School

Hughes, Deborah A.	From: School Office Assistant	To: Attendance Assistant I	10/20/14 – 11/03/14
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Thomas, Barbara A.	From: Attendance Assistant I	To: Assistant Principal's Secretary	10/20/14 – 11/03/14
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Business Services

Perez, Laura A.	From: Accountant	To: Salary Range 49	11/22/14 – 01/09/15
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Amelia Earhart Middle
School

Bracamonte, Silvia J.	From: Cafeteria Worker I	To: Cafeteria Worker III	10/17/14 – 11/14/14 <i>Amendment to 11/03/14 Board</i>
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Darnell, Belynda E.	From: Cafeteria Worker III	To: Cafeteria Supervisor I	10/17/14 – 11/14/14 <i>Amendment to 11/03/14 Board</i>
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Harrison Elementary
School

Camacho, Antonio M.	From: Cafeteria Worker I	To: Cafeteria Worker II	10/17/14 – 11/14/14 <i>Amendment to 11/03/14 Board</i>
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Temporarily Assigned to a Higher Classification - Continued

Sprague, Veva A.	From: Cafeteria Worker II	To: Henry W. Longfellow Elementary School, Elementary Kitchen Operator	10/17/14 – 11/14/14 <i>Amendment to 11/03/14 Board</i>
Martin Luther King High School			
De La Torre, Maria G.	From: Custodian	To: Athletic Equipment Set-Up Worker	11/12/14 – 12/01/14
Farfan, Moises I.	From: Athletic Equipment Set-Up Worker	To: Plant Supervisor II	11/04/14 – 12/01/14
Garcia Jr., Lloyd A.	From: Lead Custodian	To: Plant Supervisor II	09/15/14 – 11/03/14 <i>Amendment to 10/06/14 Board</i>
Ramona High School			
Coulter, Melissa	From: School Office Assistant	To: Accounting Assistant – High School	09/26/14 – 10/31/14
Diaz, Ruth A.	From: Attendance Assistant I	To: Assistant Principal's Secretary	11/05/14 – 12/05/14
Tomás Rivera Elementary School			
Chesterton, Christina M.	From: Cafeteria Worker II	To: Elementary Kitchen Operator	10/31/14 – 11/14/14

Temporarily Assigned to a Higher Classification – Managers

Business Services			
Gad El Mawla, Dalia	From: Manager, Fiscal Services, Budget	To: Director V, Business Services	10/11/14 – Undetermined

Voluntary Demotions/Reassignments/Reductions/Transfers

Chagolla Jr., Ruben S.	From: Highgrove Elementary School, Head Custodian, 12 months, 8 hours	To: John W. North High School, Athletic Equipment Set-Up Worker, 12 months, 8 hours	11/17/14
McArdell, Amy G.	From: Fremont Elementary School, Instructional Assistant – Special Education II, 10 months, 6 hours	To: Arlington High School, Instructional Assistant – Special Education II, 10 months, 6 hours	11/10/14
Michel, Sandra M.	From: Frank Augustus Miller Middle School, Instructional Assistant – Special Education I, 10 months, 4 hours	To: Riverside Polytechnic High School, Instructional Assistant – Special Education I, 10 months, 5 hours	11/13/14
Rivera, Michelle	From: Ramona High School, Instructional Assistant – Special Education II, 10 months, 6 hours	To: Ramona High School, Instructional Assistant – Special Education I, 10 months, 5 hours	11/17/14

NON-CLASSIFIED PERSONNEL

New Hires

Calvillo, Antonette	AVID Tutor	11/04/14
Chodhary, Madiha	Tutor	11/06/14
Enriquez, Marianne	Noon Playground Supervisor	11/14/14
Foltz Galvez, Julie	Noon Playground Supervisor	10/09/14
Garcia, Jacob	WorkAbility	11/14/14
Glass, Brittany	WorkAbility	11/06/14
Gonzalez, Adam	Substitute Campus Supervisor	11/14/14
Gonzalez, Lizet	Noon Playground Supervisor	11/06/14
Green, Anna	Student Worker	11/06/14
Holmes, Matthew	Tutor	11/10/14
Huerta Gil, Rene	Noon Playground Supervisor	11/06/14
Lopez, Kimberly	WorkAbility	11/06/14
Moya, Alina	Tutor	11/03/14
Nelson, Nathaniel	Substitute Campus Supervisor	11/14/14
Olvera, Cindy	Noon Playground Supervisor	11/14/14
Rogers, Amanda	Noon Playground Supervisor	11/14/14
Roman, Jesus	Student Worker	11/03/14
Romero, Diana	AVID Tutor	11/12/14
Salazar, Malissa	WorkAbility	11/06/14
Servin, Hector	AVID Tutor	11/04/14
Silva, Raquel	AVID Tutor	11/12/14
Soto, Deborah	Noon Playground Supervisor	11/14/14
Stephens, Kayla	Substitute Instructional Assistant	11/14/14
Topete-Villavicencio, Jocelyn	AVID Tutor	11/07/14
Valdez Ochoa, Nicole	Noon Playground Supervisor	11/14/14
Willis, Hannah	WorkAbility	11/06/14

New Hires – *Athletic Coaches

Arlington High School Utomo, Ivan	Performing Arts	11/17/14
Poly High School Rumfola, Katherine	Soccer/Var. Assistant	11/17/14
Ramona High School Guerrero, Jason C.	Soccer/ Var. Assistant	11/17/14

*The temporary athletic coaches listed above are knowledgeable of the assigned sports and meet the qualifications and competencies required by law.

**Board Meeting Agenda
December 08, 2014**

Topic: Disclosure of Tentative Agreements Between Riverside Unified School District and Its Employees Represented by the Riverside City Teachers Association

Presented by: Susan Mills, Assistant Superintendent, Department of Personnel-Leadership and Development

Responsible

Cabinet Member: Susan Mills, Assistant Superintendent, Department of Personnel-Leadership and Development

Type of Item: Report/Discussion

Short Description: This item represents the public disclosure of the terms and conditions, including financial impact, of Tentative Agreements for employees represented by the Riverside City Teachers Association.

DESCRIPTION OF AGENDA ITEM:

The District has reached tentative agreements with one of its collective bargaining units, the Riverside City Teachers Association (RCTA) representing certificated employees. The agreements are documented as 1) Tentative Agreement dated October 29, 2014, Article IX, Section 2 (Health and Welfare), and 2) Tentative Agreement dated October 29, 2014, Article X, Section 1 C (Work Day). The Agreements are the result of the collective bargaining process that began in September 2014.

The first Tentative Agreement (Health and Welfare) incorporates the following provisions:

Article IX, Section 2.A – A recurring adjustment to the District’s annual contribution toward a medical insurance plan for full-time and part-time eligible employees. Specifically:

- Effective January 1, 2015 (the 2015 plan year and following), the District’s annual contribution toward the District-sponsored medical plans that the subscriber chooses will continue to be \$10,700.

The second Tentative Agreement (Work Day) incorporates the following provisions:

Article X, Section 1.C – Makes technical adjustments to when certificated staff shall report to their respective work sites each day. Specifically:

- Effective July 1, 2015, to accommodate the added fifteen minutes of work day (overall 30 minute increase), changes were made in language to be more generic so that the added work time could be addressed on a school-by-school basis.

The negotiation process will continue. These tentative agreements only represent points of agreement reached to-date. Additional disclosure and consideration of an additional tentative agreements will be addressed once further negotiations are complete.

This agenda item is intended to meet the public disclosure requirements of Assembly Bill 1200 (1991/1213) and Assembly Bill 2756 (2004/52). More specifically, AB 2756 amended Government Code Section 3547.5 to provide in part that, “before a public school employer enters into a written agreement with an exclusive representative covering matters within the scope of representation, the major provisions of the agreement, including, but not limited to, the costs that would be incurred by the public school employer under the agreement for the current and subsequent fiscal years, shall be disclosed at a public meeting of the public school employer.”

FISCAL IMPACT: The fiscal impact for the Tentative Agreement on Health and Welfare is \$1,146,770 annually on a recurring basis. For the 2014-15 fiscal year, the impact is one-half the value or \$573,385. There is no fiscal impact for the Tentative Agreement on Work Day.

RECOMMENDATION: Information only. Public disclosure of the terms and conditions, including financial impact, of the Tentative Agreement for employees represented by the Riverside City Teachers Association.

ADDITIONAL MATERIAL: 1) Tentative Agreements, 2) Certification No. 1

Attached: Yes

RIVERSIDE UNIFIED SCHOOL DISTRICT
AND
RIVERSIDE CITY TEACHERS ASSOCIATION
TENTATIVE AGREEMENT
OCTOBER 29, 2014

Subject to the approval of the Riverside Unified School District Board of Education (the "District") and of the Riverside City Teachers Association ("RCTA"),

ARTICLE IX, Section 2 is amended to read:

Section 2 – District-Paid Insurance Plans

A. The District shall offer the following medical plan options with coverage from January 1, ~~2014~~ 2015 through December 31, ~~2014~~ 2015.

1. Kaiser Health Maintenance Organization (HMO) – (Vision with Frames and Lenses)
2. RUSD Health Plan Preferred Provider Option (PPO)
3. RUSD Health Plan Exclusive Provider Option (EPO)

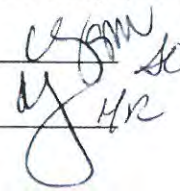
Effective January 1, ~~2014~~ 2015 (the ~~2014~~ 2015 plan year and following), the District contribution toward the medical insurance plan shall be ~~\$10,000~~ \$10,700 per subscriber annually. Such contribution shall be applicable to any District sponsored medical plan that the subscriber chooses. Part-time employees will receive a pro-rated share of the District contribution.

B. The District shall offer dental benefit plan options, including an orthodontia benefit, with coverage from January 1, ~~2014~~ 2015 through December 31, ~~2014~~ 2015.

Effective January 1, ~~2014~~ 2015 (the ~~2014~~ 2015 plan year and following), the District will make

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RIVERSIDE UNIFIED SCHOOL DISTRICT
AND
RIVERSIDE CITY TEACHERS ASSOCIATION

TENTATIVE AGREEMENT

OCTOBER 29, 2014

Subject to the approval of the Riverside Unified School District Board of Education (the "District") and of the Riverside City Teachers Association ("RCTA"),

Article X, Section 1 C is amended to read:

C. Work Day:

1. High Schools and Continuation High School: Employees shall ~~be on the work site no less than twenty (20) minutes before the first students arriving are scheduled to attend class.~~ **be at their work site at the beginning of their eight (8) hour work day designated for each school site and stay until the end of their work day.** The normal or regular work day shall be seven and three-quarters (7 ¾) consecutive hours commencing the 2014-15 work year and eight (8) consecutive hours commencing the 2015-16 work year, which includes the lunch period. The additional fifteen (15) minutes in the 2014-15 work year will be added at the end of the work day. The placement of the additional fifteen (15) minutes in the 2015-16 work year will be determined by the RCTA/RUSD Joint Negotiation Team. The length of the instructional day shall be 365 minutes. If program assignments are such that different employee assignments require different daily beginning and ending times, these times will be

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determined by mutual agreement of the employee and the District.

~~At Lincoln High School, employees shall report to the work site no less than thirty (30) minutes before the beginning of the session to which they are assigned by the principal.~~

(a) High schools will increase the number of instructional minutes to establish Staff Collaboration Time. Using the voting procedure in Section 7, annually by April 1, each high school shall choose between the following options by simple majority vote:

1. The high school may increase the number of daily instructional minutes by a minimum of nine (9) minutes or maximum of 12 minutes, four (4) days per week; and on the fifth (5th) day of the week, instructional minutes may be decreased in order to implement Staff Collaboration Time by a late start or early dismissal.
2. The high school may increase the number of daily instructional minutes by a minimum of nine (9) minutes or maximum of 12 minutes, for nine (9) consecutive days; and on the tenth (10th) day, instructional minutes may be decreased in order to implement Staff Collaboration Time by a late start or early dismissal.

Staff Collaboration Time shall be scheduled during the regular instructional day. Staff Collaboration Time shall be designed by teachers. The agendas will be teacher-driven and include one or more of these elements as outlined in the California Standards for the Teaching Profession (CSTP): Engaging and supporting all students in learning; Creating and maintaining effective environments for student learning; Planning instruction and designing learning experiences for all students; Assessing student learning and progress; and Developing as a professional educator. This time shall not be used for staff meetings, individual teacher planning time or for the early release of teachers.

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Teacher preparation time, as defined in Article X, Section 1F of the Agreement, shall not be altered as a result of the implementation of Staff Collaboration Time.

2. Middle Schools: Employees shall be ~~on the work site no less than thirty (30) minutes before the first students arriving are scheduled to attend class~~ **at their worksite at the beginning of their eight (8) hour work day designated for each school site and stay until the end of their work day.** The normal or regular work day shall be seven and three-quarters (7 ¾) consecutive hours commencing the 2014-15 school year and eight (8) hours commencing the 2015-16 work year, which includes the lunch period. The additional fifteen (15) minutes in the 2014-15 work year will be added at the end of the work day. The placement of the additional fifteen (15) minutes in the 2015-16 work year will be determined by the RCTA/RUSD Joint Negotiation Team. The length of the instructional day shall be 350 minutes. If program assignments are such that different employee assignments require different daily beginning and ending times, these times will be determined by mutual agreement of the employee and the District.

Staff Collaboration Time shall be scheduled during the regular instructional day. Staff Collaboration Time shall be designed by teachers. The agendas will be teacher-driven and include one or more of these elements as outlined in the California Standards for the Teaching Profession (CSTP): Engaging and supporting all students in learning; Creating and maintaining effective environments for student learning; Planning instruction and designing learning experiences for all students; Assessing student learning and progress; and Developing as a professional educator. This time shall not be used for staff meetings, individual teacher planning time or for the early release of teachers.

Teacher preparation time, as defined in Article X, Section 1F of the Agreement, shall not be altered as a result of the implementation of Staff Collaboration Time.

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3. Elementary Schools:

(a) Employees shall be ~~on the work site twenty (20) minutes before the first students arriving are scheduled to attend class~~ at their work site at the beginning of their eight (8) hour work day designated for each school site and stay until the end of their work day. The normal or regular work day shall be seven and three-quarters (7 ¾) consecutive hours commencing the 2014-15 school year and eight (8) consecutive hours commencing the 2015-16 work year, which includes the lunch period.

The additional fifteen (15) minutes in the 2014-15 work year will be added at the end of the work day. The placement of the additional fifteen (15) minutes in the 2015-16 work year will be determined by the RCTA/RUSD Joint Negotiation Team. If program assignments are such that different employee assignments require different daily beginning and ending times, these times will be determined by mutual agreement of the employee and the District.

The scheduling of K-3 teacher supervision duties shall be assigned equitably among K-3 teachers at their school site. The District will provide supervision for before school duty in grades K-6. In the event the site administrator is unable to provide adequate supervision to ensure the safety of children, employees shall perform this duty, and such duty must be equitably assigned at each work site. On such an occasion, the supervising teacher may leave the work site early by the same amount of time he/she performed the duty, on the first afternoon without a meeting. When assigned morning supervision, an employee may be required to report for that duty thirty (30) minutes before the start of the earliest class if the site administrator deems such early reporting necessary to assure adequate supervision. When assigned supervision at student dismissal time, employees may be required to remain on duty for up to thirty (30) minutes after the dismissal time if the site administrator deems more than twenty (20) minutes of supervision are necessary

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to provide adequate supervision of students.

(b) The length of the instructional day for the traditional year for elementary students shall be as follows:

Grades K - 3 285 minutes

Grades 4 - 6 300 minutes

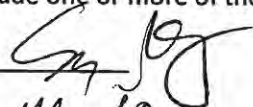
(c) Students in grades K-6 at each school shall have common beginning and ending times. In primary classes, except 3/4 combinations, in addition to a morning recess, there may be an afternoon recess not to exceed fifteen (15) minutes, at the discretion of each teacher. The time the recess may be held shall be designated by the site administrator. Recess supervision shall be done by teachers utilizing this afternoon recess.

(d) On all regular or normal days, except those on which staff, team or district-ordered meetings are scheduled, the final forty-five (45) minutes of the elementary teachers' work day shall be designated as planning time for those with full-time classroom teaching assignments. Planning time is provided to allow teachers an opportunity during the work day to prepare assignments, correct papers, meet with parents and other staff members, meet with students, and to perform related tasks arising from the teaching assignment.

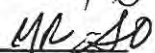
(e) In order to establish a Staff Collaboration Time period, each elementary school shall increase the number of daily instructional minutes contained in Section 1C(b) of this Agreement by fifteen (15) minutes, four (4) days a week. On the fifth (5th) day of the week, instructional minutes may be decreased in order to implement a one (1) hour Staff Collaboration Time period.

Staff Collaboration Time shall be scheduled during the regular instructional day. Staff Collaboration Time shall be designed by teachers. The agendas will be teacher-driven and include one or more of these elements as outlined in the California Standards for the

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DISCLOSURE OF COLLECTIVE BARGAINING AGREEMENT

In accordance with California Government Code Section 3547.5, Education Code Section 42142, and the criteria and standards adopted by the State Board of Education.

Riverside Unified School District (School District Name)

Certificated

Classified

Riverside City Teachers Association (Bargaining Unit Name)

New

Reopened

The proposed agreement covers the period from: 7/1/14 to 6/30/15

The governing board is to act on this agreement at its meeting on: January 2015 (Date)

Agreement/MOU attached

Note: This disclosure, along with a copy of the proposed agreement, is due to the Riverside County Office of Education at least ten (10) working days prior to the date the governing board is to take action.

Additionally, please contact DFS retirement prior to any retroactive pay.

(A) Proposed Change in Compensation

	COMPENSATION (FUND 03 AND FUND 06, R6500, R8150)	COST PRIOR TO PROPOSED AGREEMENT (Current Budget)	FISCAL IMPACT OF PROPOSED AGREEMENT		
			Current Year Increase/ (Decrease)	Year 2 Increase/ (Decrease)	Year 3 Increase/ (Decrease)
1.	Salary Schedule - Increase (Decrease) (Includes Step and Column reported on Line 8)	\$ 137,982,921 % Salary Schedule	0.00%	0.00%	0.00%
2.	Statutory Benefits (STRS, PERS, FICA, Medicare, etc)	\$ 17,074,661 % Statutory Benefits	\$ 573,385 3.36%	\$ 573,385 3.25%	0.00%
3.	Base Costs (Total of Lines 1 & 2)	\$ 155,057,582 % Base Costs	\$ 573,385 0.37%	\$ 573,385 0.37%	\$ - 0.00%
4.	a. Other Compensation - Increase (Decrease) (Describe in Section 12, Page 2)	N/A % Salary Schedule	0.00%	0.00%	0.00%
	b. Changes to Step and Column With Agreement (Describe in Section 13, Page 2)	N/A % Salary Schedule	0.00%	0.00%	0.00%
	c. Applicable Statutory Benefits	N/A % Salary Schedule	0.00%	0.00%	0.00%
5.	Health/Welfare Benefits - Increase (Decrease) Current Cap: \$10,000, \$10,700 Proposed Cap: n/a	\$ 17,574,044 % Salary Schedule	\$ - 0.00%	\$ - 0.00%	0.00%
6.	Proposed Negotiated Change in Compensation (Excludes Statutory Benefits) (Lines 1, 4a, 4b, & 5)		\$ - 0.00%	\$ - 0.00%	\$ - 0.00%
7.	Total Cost of Agreement (Includes Statutory Benefits) (Lines 3, 4, & 5)	\$ 172,631,626 % Base Costs	\$ 573,385 0.37%	\$ 573,385 0.37%	\$ - 0.00%
8.	Step and Column Due to Movement (Included in Salary Schedule reported on Line 1)	\$ 1,545,851 % Salary Schedule 1.13%	N/A N/A	0.00%	0.00%
9.	Total Number of Represented Employees	1,631.0	1,631.0	1,631.0	1,631.0
10.	Cost of Agreement per Average Employee	105,844 % from Prior Year	352 0.33%	\$ 352 0.33%	\$ - 0.00%

11. What is the negotiated percentage increase or decrease in compensation? If applicable, please explain how the district will implement furlough days; include the number of furlough days and the equivalent percentage reduction. Will furlough days be ongoing or will they end at the end of the agreement? In the event of an increase, please annualize the percentage increase for the first year if that increase is for less than one full year.

None

12. Are there any other compensation items included in the agreement? Please explain any changes indicated on page 1, Section A, 4a.

No

13. Is the district adding any steps, columns, or ranges due to the agreement? Please explain any changes indicated on page 1, Section A, 4b.

No

14. Does this unit have a negotiated cap for health and welfare benefits? yes no
Please describe the district's annual health and welfare cost per employee for this bargaining unit, and indicate the current and proposed cap on page 1, Section A, 5.

The District contributes on an eligible employee basis to District-sponsored medical and dental plans. The plan year is the calendar year (January through December). All contributions are prorated for part-time eligible employees. Effective January 1, 2015 (the 2015 plan year) and following the District contribution to medical plans per eligible employee is \$10,700. The District's contribution to dental plans varies per plan.

(B) Proposed Negotiated Changes in Non-Compensation Items

Please discuss proposed changes in non-compensation items such as class size adjustments, staff development days, teacher prep time, classified staffing ratios, etc.

None

(C) Specific Impact on Instructional and Support Programs to Accommodate Agreement

Please discuss the impact of proposed changes on instructional and support programs (e.g. length of school year, staff reductions or increases, elimination or expansion of programs or services such as counseling, librarians, custodial services, etc.)

None

(D) Proposed Contingency Language

Please detail proposed contingency language relating to funding restoration, reopening, applicable fiscal years, or other significant provisions. Please indicate when restoration will occur, if applicable.

None

(E) Impact on Deficit Spending

Will this agreement increase deficit spending in the current or subsequent years? Deficit spending exists when a fund's total expenditures and other financing uses exceeds the total revenues and other financing sources in a given fiscal year.

NO

(F) Funding Source(s) for Proposed Agreement

1. Please discuss the proposed funding source for the current year.

Available restricted and unrestricted revenues.

2. If a single year agreement, please explain how any resulting ongoing costs will be funded in subsequent fiscal years (i.e. explain the assumptions showing the district can afford the contract in future years). If a multi-year agreement, please discuss the funding sources for each year, including assumptions used, to fund this obligation in future years. Consider any compounding effects when evaluating subsequent year impacts.

Ongoing costs will be funded from on-going recurring restricted and unrestricted revenues including those received through the Local Control Funding Formula.

(G) Impact of Proposed Agreement on Current Year General Fund Operating Budget

In accordance with California Government Code Section 3547.5, Education Code Section 42142, and the criteria and standards adopted by the State Board of Education.

UNRESTRICTED GENERAL FUND

CURRENT YEAR OPERATING BUDGET	(Col. 1) Board-Approved Budget Prior to Settlement	(Col. 2)* Adjustments Resulting from Settlement	(Col. 3)* Other Revisions Board Approved Date _____	(Col. 4) Total Revised Budget (Col. 1+2+3)
REVENUES				
State Aid Sources 8010-8099	\$ 301,198,550			\$ 301,198,550
Federal Revenue 8100-8299	306,000			306,000
Other State Revenue 8300-8599	10,446,217			10,446,217
Other Local Revenue 8600-8799	3,142,291			3,142,291
TOTAL REVENUES	\$ 315,093,058	\$ -	\$ -	\$ 315,093,058
EXPENDITURES				
Certificated Salaries 1000-1999	\$ 150,054,394			\$ 150,054,394
Classified Salaries 2000-2999	35,287,491			35,287,491
Employee Benefits 3000-3999	51,558,179			51,558,179
Books and Supplies 4000-4999	17,062,372			17,062,372
Services & Operating Expenditures 5000-5999	30,657,956			30,657,956
Capital Outlay 6000-6999	8,443,181			8,443,181
Other Outgo 7100-7299 7400-7499	70,000			70,000
Indirect/Direct Support Costs 7300-7399	(4,252,074)			(4,252,074)
TOTAL EXPENDITURES	\$ 288,881,498	\$ -	\$ -	\$ 288,881,498
OTHER FINANCING SOURCES/USES				
Contributions 8980-8999	\$ (40,173,702)			\$ (40,173,702)
Transfers In and Other Sources 8910-8979	\$ -			\$ -
Transfers Out and Other Uses 7610-7699	\$ 3,339,618			\$ 3,339,618
TOTAL EXPENDITURES AND USES	\$ 292,221,116	\$ -	\$ -	\$ 292,221,116
INCREASE (DECREASE) IN FUND BALANCE	\$ (17,301,760)	\$ -	\$ -	\$ (17,301,760)
BEGINNING BALANCE 791,9793,9794	\$ 62,162,059			\$ 62,162,059
ENDING BALANCE	\$ 44,860,299	\$ -	\$ -	\$ 44,860,299
COMPONENTS OF ENDING BALANCE				
Nonspendable 9711-9719	\$ 650,000			\$ 650,000
Restricted 9740				\$ -
Committed 9750-9760	16,544,750			16,544,750
Assigned 9780	3,953,800			3,953,800
Reserve for Economic Uncertainties 9789	8,180,943			8,180,943
Unassigned/Unappropriated 9790	\$ 15,530,806	\$ -	\$ -	\$ 15,530,806

*If the total adjustments in Col. 2 do not agree with the Total Cost of Agreement on page 1, Section A, Line 7, please explain the variance below (e.g. partially budgeted, salaries and benefits are budgeted in other funds), and/or explain any revisions included in Col. 3.

(G) Impact of Proposed Agreement on Current Year General Fund Operating Budget

In accordance with Government Code Section 3547.5, Education Code Section 42142, and the criteria and standards adopted by the State Board of Education.

RESTRICTED GENERAL FUND

CURRENT YEAR OPERATING BUDGET	(Col. 1) Board-Approved Budget Prior to Settlement	(Col. 2)* Adjustments Resulting from Settlement	(Col. 3)* Other Revisions Board Approved Date _____	(Col. 4) Total Revised Budget (Col. 1+2+3)
REVENUES				
State Aid Sources 8010-8099	\$ -			\$ -
Federal Revenue 8100-8299	28,115,856			28,115,856
Other State Revenue 8300-8599	31,036,251			31,036,251
Other Local Revenue 8600-8799	2,414,604			2,414,604
TOTAL REVENUES	\$ 61,566,711	\$ -	\$ -	\$ 61,566,711
EXPENDITURES				
Certificated Salaries 1000-1999	\$ 40,364,172			\$ 40,364,172
Classified Salaries 2000-2999	17,960,096			17,960,096
Employee Benefits 3000-3999	17,086,000			17,086,000
Books and Supplies 4000-4999	14,975,408			14,975,408
Services & Operating Expenditures 5000-5999	21,002,970			21,002,970
Capital Outlay 6000-6999	2,004,532			2,004,532
Other Outgo 7100-7299 7400-7499	-			-
Indirect/Direct Support Costs 7300-7399	3,432,835			3,432,835
TOTAL EXPENDITURES	\$ 116,826,013	\$ -	\$ -	\$ 116,826,013
OTHER FINANCING SOURCES/USES				
Contributions 8980-8999	\$ 40,173,702			\$ 40,173,702
Transfers In and Other Sources 8910-8979	\$ -			\$ -
Transfers Out and Other Uses 7610-7699	\$ -			\$ -
TOTAL EXPENDITURES AND USES	\$ 116,826,013	\$ -	\$ -	\$ 116,826,013
INCREASE (DECREASE) IN FUND BALANCE	\$ (15,085,600)	\$ -	\$ -	\$ (15,085,600)
BEGINNING BALANCE 9791,9793,9795	\$ 23,176,535			\$ 23,176,535
ENDING BALANCE	\$ 8,090,935	\$ -	\$ -	\$ 8,090,935
COMPONENTS OF ENDING BALANCE				
Nonspendable 9711-9719	\$ -			\$ -
Restricted 9740	\$ 8,090,935	\$ -		8,090,935
Committed 9750-9760				-
Assigned 9780				-
Reserve for Economic Uncertainties 9789				-
Unassigned/Unappropriated 9790	\$ 0	\$ -	\$ -	\$ 0

*If the total adjustments in Col. 2 do not agree with the Total Cost of Agreement on page 1, Section A, Line 7, please explain the variance below (e.g. partially budgeted, salaries and benefits are budgeted in other funds), and/or explain any revisions included in Col. 3.

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(G) Impact of Proposed Agreement on Current Year General Fund Operating Budget

In accordance with Government Code Section 3547.5, Education Code Section 42142, and the criteria and standards adopted by the State Board of Education.

COMBINED GENERAL FUND

CURRENT YEAR OPERATING BUDGET	(Col. 1) Board-Approved Budget Prior to Settlement	(Col. 2)* Adjustments Resulting from Settlement	(Col. 3)* Other Revisions Board Approved Date _____	(Col. 4) Total Revised Budget (Col. 1+2+3)
REVENUES				
State Aid Sources 8010-8099	\$ 301,198,550	\$ -	\$ -	\$ 301,198,550
Federal Revenue 8100-8299	\$ 28,421,856	\$ -	\$ -	28,421,856
Other State Revenue 8300-8599	\$ 41,482,468	\$ -	\$ -	41,482,468
Other Local Revenue 8600-8799	\$ 5,556,895	\$ -	\$ -	5,556,895
TOTAL REVENUES	\$ 376,659,769	\$ -	\$ -	\$ 376,659,769
EXPENDITURES				
Certificated Salaries 1000-1999	\$ 190,418,566	\$ -	\$ -	\$ 190,418,566
Classified Salaries 2000-2999	\$ 53,247,587	\$ -	\$ -	53,247,587
Employee Benefits 3000-3999	\$ 68,644,180	\$ -	\$ -	68,644,180
Books and Supplies 4000-4999	\$ 32,037,780	\$ -	\$ -	32,037,780
Services & Operating Expenditures 5000-5999	\$ 51,660,926	\$ -	\$ -	51,660,926
Capital Outlay 6000-6999	\$ 10,447,713	\$ -	\$ -	10,447,713
Other Outgo 7100-7299 7400-7499	\$ 70,000	\$ -	\$ -	70,000
Indirect/Direct Support Costs 7300-7399	\$ (819,239)	\$ -	\$ -	(819,239)
TOTAL EXPENDITURES	\$ 405,707,511	\$ -	\$ -	\$ 405,707,511
OTHER FINANCING SOURCES/USES				
Contributions 8980-8999	\$ -	\$ -	\$ -	\$ -
Transfers In and Other Sources 8910-8979	\$ -	\$ -	\$ -	\$ -
Transfers Out and Other Uses 7610-7699	\$ 3,339,618	\$ -	\$ -	\$ 3,339,618
TOTAL EXPENDITURES AND USES	\$ 409,047,129	\$ -	\$ -	\$ 409,047,129
INCREASE (DECREASE) IN FUND BALANCE	\$ (32,387,359)	\$ -	\$ -	\$ (32,387,359)
BEGINNING BALANCE 9791,9793,9795	\$ 85,338,594			\$ 85,338,594
ENDING BALANCE	\$ 52,951,235	\$ -	\$ -	\$ 52,951,235
COMPONENTS OF ENDING BALANCE				
Nonspendable 9711-9719	\$ 650,000	\$ -	\$ -	\$ 650,000
Restricted 9740	\$ 8,090,935	\$ -	\$ -	8,090,935
Committed 9750-9760	\$ 16,544,750	\$ -	\$ -	16,544,750
Assigned 9780	\$ 3,953,800	\$ -	\$ -	3,953,800
Reserve for Economic Uncertainties 9789	\$ 8,180,943	\$ -	\$ (1)	8,180,942
Unassigned/Unappropriated 9790	\$ 15,530,807	\$ -	\$ -	\$ 15,530,807

*If the total adjustments in Col. 2 do not agree with the Total Cost of Agreement on page 1, Section A, Line 7, please explain the variance below (e.g. partially budgeted, salaries and benefits are budgeted in other funds), and/or explain any revisions included in Col. 3.

Col. 3. Reserve for Economic Uncertainties fluctuates with each budget revision as it is based on a minimum of 2% of Total Expenditures, Transfers Out and Other Uses. Adjustments to the Reserve for Economic Uncertainties are posted at 1st and 2nd Interims, Estimated, and Unaudited Financials.

Multi-Year Financial Projections 2012-13 to 2016-17

	Prior Year Actuals 2012-13	Prior Year Actuals 2013-14	Percent of Change over PY	Adopted Budget 2014-15	Percent of Change over PY	Revised Budget 2014-15	Percent of Change over PY	Projected Budget 2015-16	Percent of Change over PY	Projected Budget 2016-17	Percent of Change over PY
COLA Actual/Projection %	3.24%		-100.00%		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
P-2 ADA Actual/Projection	40,126.96	40,344.01	0.54%	40,575.50	0.57%	40,100.09	-0.60%	39,908.83	-0.48%	39,932.65	0.06%
Funded ADA Actual/Projection (excluding County and Charter)	40,144.72	40,333.76	0.47%	40,575.50	0.60%	40,333.76	0.00%	40,100.09	-0.58%	39,932.65	-0.42%
REVENUES											
State Aid	\$ 212,210,264	\$ 264,097,185	24.45%	\$ 222,152,643	-15.88%	\$ 301,198,550	14.05%	\$ 317,894,994	5.54%	\$ 336,439,771	5.83%
Federal	\$ 27,811,759	\$ 23,656,181	-14.94%	\$ 23,467,262	-0.80%	\$ 28,421,856	20.15%	\$ 23,099,128	-18.73%	\$ 23,099,128	0.00%
State	\$ 70,639,121	\$ 45,608,117	-35.44%	\$ 72,116,614	58.12%	\$ 41,482,468	-9.05%	\$ 41,386,607	-0.23%	\$ 41,386,607	0.00%
Local	\$ 8,840,776	\$ 8,064,252	-8.78%	\$ 3,663,301	-54.57%	\$ 5,556,895	-31.09%	\$ 5,353,635	-3.66%	\$ 5,353,635	0.00%
Total Revenues	\$ 319,501,919	\$ 341,425,735	6.86%	\$ 321,399,820	-5.87%	\$ 376,659,769	10.32%	\$ 387,734,364	2.94%	\$ 406,279,141	4.78%
EXPENDITURES											
Certificated Salaries	\$ 167,128,826	\$ 166,584,422	-0.33%	\$ 159,026,022	-4.54%	\$ 190,418,566	14.31%	\$ 199,447,575	4.74%	\$ 205,010,542	2.79%
Classified Salaries	\$ 46,342,138	\$ 47,962,492	3.50%	\$ 44,284,476	-7.67%	\$ 53,247,587	11.02%	\$ 53,448,126	0.38%	\$ 53,678,859	0.43%
Benefits	\$ 62,395,500	\$ 58,268,478	-6.61%	\$ 59,433,435	2.00%	\$ 68,644,180	17.81%	\$ 75,453,301	9.92%	\$ 81,423,906	7.91%
Books & Supplies	\$ 16,311,554	\$ 17,367,210	6.47%	\$ 16,038,227	-7.65%	\$ 32,037,780	84.47%	\$ 16,827,701	-47.48%	\$ 16,827,701	0.00%
Contracts & Services	\$ 38,065,817	\$ 36,515,307	-4.07%	\$ 38,978,095	6.74%	\$ 51,660,926	41.48%	\$ 42,312,321	-18.10%	\$ 42,312,321	0.00%
Capital Outlay	\$ 3,633,956	\$ 6,422,201	76.73%	\$ 3,254,912	-49.32%	\$ 10,447,713	62.68%	\$ 10,914,965	4.47%	\$ 9,414,965	-13.74%
Other Outgo	\$ 94,717	\$ 471,987	398.31%	\$ 70,000	-85.17%	\$ 70,000	-85.17%	\$ 70,000	0.00%	\$ 70,000	0.00%
Support Costs	\$ (914,776)	\$ (831,436)	-9.11%	\$ (1,008,641)	21.31%	\$ (819,239)	-1.47%	\$ (819,239)	0.00%	\$ (819,239)	0.00%
Total Expenditures	\$ 333,057,731	\$ 332,760,662	-0.09%	\$ 320,076,526	-3.81%	\$ 405,707,511	21.92%	\$ 397,654,748	-1.98%	\$ 407,919,054	2.58%
OTHER SOURCES & USES											
Transfers In & Other Sources	\$ 6,498,199	\$ 8,413,075	29.47%	\$ 1,100,000	-86.93%	\$ -	-100.00%	\$ -	#DIV/0!	\$ -	#DIV/0!
Transfers Out & Other Uses	\$ 2,530,880	\$ 13,801,554	445.33%	\$ 2,971,700	-78.47%	\$ 3,339,618	-75.80%	\$ 3,339,618	0.00%	\$ 3,339,618	0.00%
Total Expenditures & Uses	\$ 335,588,611	\$ 346,562,215	3.27%	\$ 323,048,226	-6.78%	\$ 409,047,129	18.03%	\$ 400,994,366	-1.97%	\$ 411,258,672	2.56%
NET INCREASE (DECREASE) IN FUND BALANCE	\$ (9,588,493)	\$ 3,276,594	-134.17%	\$ (548,406)	-116.74%	\$ (32,387,359)	-1088.45%	\$ (13,260,002)	-59.06%	\$ (4,979,531)	-62.45%
FUND BALANCE, RESERVES											
Beginning Balance	\$ 80,623,072	\$ 78,669,870	-2.42%	\$ 78,669,870	0.00%	\$ 85,338,594	8.48%	\$ 52,951,235	-37.95%	\$ 39,691,233	-25.04%
Ending Balance	\$ 71,034,578	\$ 81,946,464	15.36%	\$ 78,121,464	-4.67%	\$ 52,951,235	-35.38%	\$ 39,691,233	-25.04%	\$ 34,711,702	-12.55%
Components of Ending Fund Balance:											
Nonspendable	\$ 650,000	\$ 323,551		\$ 650,000		\$ 650,000		\$ 650,000		\$ 650,000	
Restricted	\$ 3,429,438	\$ 23,173,455		\$ 12,503,097		\$ 8,090,935		\$ 8,570,556		\$ 9,050,175	
Committed	\$ 0	\$ 26,709,934		\$ 0		\$ 16,544,750		\$ 12,063,127		\$ 5,825,000	
Assigned	\$ 28,863,895	\$ 4,419,800		\$ 13,578,992		\$ 3,953,800		\$ 3,953,800		\$ 3,953,800	
Reserve for Economic Uncertainties	\$ 6,441,848	\$ 6,931,245		\$ 6,460,965		\$ 8,180,942		\$ 8,019,888		\$ 8,225,174	
Unassigned/Unappropriated	\$ 48,873,182	\$ 20,388,478		\$ 44,928,410		\$ 15,530,807		\$ 6,433,857		\$ 7,007,542	
Total Ending Balance	\$ 88,258,363	\$ 81,946,464		\$ 78,121,464		\$ 52,951,234		\$ 39,691,228		\$ 34,711,691	
% Reserve (9789 and 9790)	16.48%	7.88%		15.91%		5.80%		3.60%		3.70%	

(H1) Multi-Year Financial Projection Assumptions

Riverside Unified School District
Combined General Fund

	7100-7299									Total	LCFF	Federal	State	Local	Other	Total
	1XXX	2XXX	3XXX	4XXX	5XXX	6XXX	7400-7499	7300-7399	7610-7629	Exp Change	80XX	81XX-82XX	83XX-85XX	86XX-87XX	89XX	Rev Change
2014-15 TOTALS	190,418,566	53,247,587	68,644,180	32,037,780	51,660,926	10,447,713	70,000	(819,239)	3,339,618	409,047,129	301,198,550	28,421,856	41,482,468	5,556,895	-	376,659,769
2015-16 Adjustments										-						-
LCFF Entitlement Factors	5,821,488	-	1,594,420	-	-	-	-	-	-	7,415,908	16,696,444	-	-	-	-	16,696,444
Growth (Decline)	(246,792)	-	(40,926)	-	-	-	-	-	-	(287,719)	-	-	-	-	-	-
Step/Column	2,075,726	229,312	266,557	-	-	-	-	-	-	2,571,595	-	-	-	-	-	-
Benefit Changes	-	-	963,650	-	-	-	-	-	-	963,650	-	-	-	-	-	-
Salary Increase	4,840,701	-	613,642	-	-	-	-	-	-	5,454,343	-	-	-	-	-	-
Reduce for One-Time Augmentations/Solut	(1,841)	(108)	(656)	(1,342,888)	(178,836)	(23,800)	-	-	-	(1,548,129)	-	-	-	-	-	-
Reduce for Carryover/Unearned Rev	(4,425,666)	(28,665)	(752,022)	(9,917,191)	(9,169,769)	(219,564)	-	-	-	(24,512,877)	-	(5,322,728)	(95,861)	(203,260)	-	(5,621,849)
Adj for Grants Ending/1-Time Funds or Eve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service (Fd 25 no longer supports)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities Projects Completed-Redevelopme	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grades 1-3 staffing from 27:1 to 26:1	965,394	-	160,094	-	-	1,065,924	-	-	-	2,191,412	-	-	-	-	-	-
Debt Service (Fd 25 no longer supports)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
STRS and PERS Impact	-	-	4,004,363	-	-	-	-	-	-	4,004,363	-	-	-	-	-	-
One Time LCAP Impacts	-	-	-	(3,950,000)	-	(355,308)	-	-	-	(4,305,308)	-	-	-	-	-	-
2015-16 TOTALS	199,447,575	53,448,126	75,453,301	16,827,701	42,312,321	10,914,965	70,000	(819,239)	3,339,618	400,994,366	317,894,994	23,099,128	41,386,607	5,353,635	-	387,734,364
2016-17 Adjustments										-						-
LCFF Entitlement Factors	2,323,968	-	636,501	-	-	-	-	-	-	2,960,469	18,544,777	-	-	-	-	18,544,777
Trigger Cuts: (\$441) * decline in ADA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Growth (Decline)	97,265	-	16,130	-	-	-	-	-	-	113,395	-	-	-	-	-	-
Step/Column	2,111,013	230,734	269,223	-	-	-	-	-	-	2,610,969	-	-	-	-	-	-
Benefit Changes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Salary Increase	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reduce for Carryover/Deferred Rev	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service (Fd 25 no longer supports)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adj for Grants Ending/1-Time Funds or	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grades 1-3 staffing from 26:1 to 25:1	1,030,721	-	170,927	-	-	-	-	-	-	1,201,648	-	-	-	-	-	-
STRS and PERS Impact	-	-	4,877,824	-	-	-	-	-	-	4,877,824	-	-	-	-	-	-
One Time LCAP Impacts	-	-	-	-	-	(1,500,000)	-	-	-	(1,500,000)	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016-17 TOTALS	205,010,542	53,678,859	81,423,906	16,827,701	42,312,321	9,414,965	70,000	(819,239)	3,339,618	411,258,672	336,439,771	23,099,128	41,386,607	5,353,635	-	406,279,141

(I) Impact of Proposed Agreement on Unrestricted Reserves**1. State Reserve Standard Calculation**

		Current Year	Year 2	Year 3
1a.	Total Expenditures, Transfers Out, and Uses (Including Cost of Proposed Agreement) for both Unrestricted and Restricted General Fund	\$ 409,047,129	\$ 400,994,366	\$ 411,258,672
1b.	Enter State Standard Minimum Reserve Percentage	2%	2%	2%
1c.	State Standard Minimum Unrestricted Fund Reserve (Line 1a times Line 1b. For a district with less than 1,001 ADA, the greater of Line 1a times 1b or \$60,000)	\$ 8,180,943	\$ 8,019,887	\$ 8,225,173

2. Budgeted Unrestricted Reserve (After Impact of Proposed Agreement)

2a.	General Fund Reserve for Economic Uncertainties (Object 9789)	\$ 8,180,942	\$ 8,019,888	\$ 8,225,174
2b.	General Fund Budgeted as Unassigned/ Unappropriated Amount (Object 9790)	\$ 15,530,807	\$ 6,433,857	\$ 7,007,542
2c.	Special Reserve Fund for Other Than Capital Outlay Projects Budgeted for Economic Uncertainties (Fund 17, Object 9789)	\$ -	\$ -	\$ -
2d.	Total District Budgeted Unrestricted Reserves	\$ 23,711,749	\$ 14,453,745	\$ 15,232,716
2e.	Reserve for Economic Uncertainties Percentage (Line 2d divided by Line 1a)	5.80%	3.60%	3.70%

3. Does the district's budgeted unrestricted reserves meet the state standard minimum reserve amount?
(Line 1c is less than or equal to Line 2d?)

Current Year:	2014 - 2015	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> no
Year 2:	2015 - 2016	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> no
Year 3:	2016-2017	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> no

4. If no, how does the district plan to restore reserves?

(J) Impact of Proposed Agreement on Current Year Operating Budget

Itemized Budget Revisions Necessary to Meet Agreement's Cost

Description of the Revision	Attached Fund Transfer/ Budget Resolution Numbers	Amount	County Use Only: Date Action Taken
Article IX, Section 2.A – A recurring adjustment to the District’s annual contribution toward a medical insurance plan for full-time and part-time eligible employees. Increase District annual contribution to the medical plan, raising cap from \$10,000 to \$10,700	34xx	\$ 573,385	
Article X, Section 1.C – Makes technical adjustments to when certificated staff shall report to their respective work sites each day. Effective July 1, 2015, to accommodate the added fifteen minutes of work day (overall 30 minute increase), changes were made in language to be more generic so that the added work time could be addressed on a school-by-school basis.	No Fiscal Impact	\$ -	
		\$ -	
		\$ -	
		\$ -	
		\$ -	
		\$ -	
		\$ -	
		\$ -	
TOTAL REVISIONS		\$ 573,385	

Please provide an explanation if no budget revisions are necessary.

(K) Impact of Proposed Agreement on Subsequent Fiscal Year Budgets

Itemized Budget Revisions Included in the Multi-Year Financial Projections to Meet Agreement's Cost

Year 2: 2015-2016

Description of the Revision	Major Object Code Series	Amount	County Use Only: Date Action Taken
Article IX, Section 2.A – A recurring adjustment to the District’s annual contribution toward a medical insurance plan for full-time and part-time eligible employees. Increase District annual contribution to the medical plan, raising cap from \$10,000 to \$10,700	34xx	\$ 573,385	
		\$ -	
		\$ -	
		\$ -	
		\$ -	
TOTAL YEAR 2		\$ 573,385	

Year 3: 2016 - 2017

Description of the Revision	Major Object Code Series	Amount	County Use Only: Date Action Taken
		\$ -	
		\$ -	
		\$ -	
		\$ -	
		\$ -	
TOTAL YEAR 3		\$ -	

Please provide an explanation if no budget revisions are necessary.

Year 2 increases the District annual contribution to the medical plan to \$10,700 for the 2015 plan year which will be ongoing; there is no revision needed for Year 3.

(L) Certification No. 1

Riverside Unified School District

The District Superintendent and Chief Business Official should sign this certification at the time of public disclosure.

In accordance with the requirements of Government Code Section 3547.5, the undersigned hereby certify that the costs incurred under the provisions of the agreement can be met by the district during the term of the agreement, and that the itemized budget revisions necessary to meet such costs, as indicated in sections J and K, are included in the district's budget and multi-year financial projections.

Signature - District Superintendent

December 8, 2014

Date

Signature - Chief Business Official

December 8, 2014

Date

District Contact Person: Dalia Gademawla-Business Services

Phone: 951-352-6729 x82401

**Board Meeting Agenda
December 8, 2014**

- Topic: Disclosure of Tentative Agreements Between Riverside Unified School District and Its Employees Represented by the California School Employees Association, Chapter 506
- Presented by: Susan Mills, Assistant Superintendent, Department of Personnel-Leadership and Development
- Responsible Cabinet Member: Susan Mills, Assistant Superintendent, Department of Personnel-Leadership and Development
- Type of Item: Report/Discussion
- Short Description: This item represents the public disclosure of the terms and conditions, including financial impact, of Tentative Agreements for employees represented by the California School Employees Association, Chapter 506.

DESCRIPTION OF AGENDA ITEM:

The District has reached multiple tentative agreements with one of its collective bargaining units, the California School Employees Association, Chapter 506 (CSEA) representing classified employees. The tentative agreements are documented as 1) Tentative Agreement Dated November 17, 2004, Article IX (Health and Welfare), 2) Tentative Agreement Dated November 17, 2014, Article VII (Salary Classification), 3) Tentative Agreement Dated April 21, 2014, Maintenance and Operations Specialist I and II, 4) Tentative Agreement Dated June 3, 2014, Mechanical Trades Maintenance Worker, 5) Tentative Agreement Dated June 3, 2014, Maintenance and Operations Specialist I and II (series of eight job descriptions), 6) Tentative Agreement Dated June 4, 2014, Article XIII (Leaves), 7) Tentative Agreement Dated September 26, 2014, Electrical and Building Automation Controls Technician (Range 31), 8) Tentative Agreement Dated September 26, 2014, HVAC&R and Building Automation Controls Technician (Range 31), and 9) Tentative Agreement Dated September 26, 2014, Irrigation Worker (Range 23). The Agreements are the result of the collective bargaining process that began in February 2014.

The first Tentative Agreement Dated November 17, 2014 (Health and Welfare) incorporates the following provisions:

Article IX, Section 9.3 – A recurring adjustment to the District’s annual contribution toward a medical insurance plan for full-time and part-time eligible employees. Specifically:

- Effective January 1, 2015 (the 2015 plan year and following), the District’s annual contribution toward the District-sponsored medical plans that the subscriber chooses will continue to be \$10,700.

Article IX, Section 9.5 – A recurring adjustment to the District’s annual contribution toward a medical insurance plan for eligible retirees. Specifically:

- Effective January 1, 2015 (the 2015 plan year and following), the District’s annual contribution toward the District-sponsored medical plans for retirees will increase by \$24.73 per month (rounded) for Service Years 15-20, and cover the single party premium of the two least costly medical plans (excluding high deductible plans).

The second Tentative Agreement Dated November 17, 2014 (Salary Reclassification) incorporates the following provisions:

Article VII, Sections 8.2.2, 8.3, 8.3.1, 8.3.2, 8.3.3 – Makes substantial procedural changes to the salary reclassification process for classified employees., including substituting the reclassification advisory committee with the negotiations team. Specifically:

- Effective upon approval and ratification, substitutes the reclassification advisory committee with the negotiations team and sets specific timelines for reaching a decision on salary reclassification requests.

The third Tentative Agreement Dated April 21, 2014 (Maintenance and Operations Specialist I and II) provides a commitment to revise the relevant job classifications and provides for retention of seniority despite job classification changes. The commitment was fulfilled through the fifth Tentative Agreement Dated June 3, 2014 (below). This Tentative Agreement is effective retroactive to April 21, 2014.

The fourth Tentative Agreement Dated June 3, 2014 (Mechanical Trades Maintenance Worker) updates the job description for Mechanical Trades Maintenance Worker. This Tentative Agreement is effective retroactive to June 3, 2014.

The fifth Tentative Agreement Dated June 3, 2014 (Maintenance and Operations Specialist I and II) updates eight job descriptions for Mechanical Trades Maintenance Worker I (range 30) and II (Range 33) with various subcategories including Business Machines, Fleet Services, Paint Shop, Alarms and Closed Circuit Television, Audio/Visual and Radio Communications, Plumbing and Aquatic, Electrical, and HVAC&R/Preventive Maintenance. Furthermore, this Tentative Agreement and increases the Salary Range from 30 to 33 for Plumbing and Aquatic, Electrical, and HVAC&R/Preventive Maintenance. This Tentative Agreement is effective retroactive to June 3, 2014.

The sixth Tentative Agreement Dated June 4, 2014 (Leaves) provides a broader definition of Personal Necessity Leave specifically for elementary school promotion of the unit member's child and eliminates the one day limitation. This Tentative Agreement is effective retroactive to July 1, 2014.

The seventh Tentative Agreement Dated September 26, 2014, (Electrical and Building Automation Controls Technician) updates the job description for Electrical and Building Automation Controls Technician and increases the Salary Range from 27 to 31. This Tentative Agreement is effective retroactive to September 26, 2014.

The eighth Tentative Agreement Dated September 26, 2014, (HVAC&R and Building Automation Controls Technician) updates the job description for HVAC&R and Building Automation Controls Technician and increases the Salary Range from 27 to 31. This Tentative Agreement is effective retroactive to September 26, 2014.

The ninth Tentative Agreement Dated September 26, 2014, (Irrigation Worker) updates the job description for Irrigation Worker and increases the Salary Range from 22 to 23. This Tentative Agreement is effective retroactive to September 26, 2014.

These tentative agreements conclude the current negotiation season.

This agenda item is intended to meet the public disclosure requirements of Assembly Bill 1200 (1991/1213) and Assembly Bill 2756 (2004/52). More specifically, AB 2756 amended Government Code Section 3547.5 to provide in part that, "before a public school employer enters into a written agreement with an exclusive representative covering matters within the scope of representation, the major provisions of the agreement, including, but not limited to, the costs that would be incurred by the public school employer under the agreement for the current and subsequent fiscal years, shall be disclosed at a public meeting of the public school employer."

FISCAL IMPACT: The fiscal impact for the various tentative agreements are as follows:

- 1) Tentative Agreement Dated November 17, 2014 Article IX (Health and Welfare) is \$648,232 annually on a recurring basis. For the 2014-15 fiscal year, the impact is one-half the value or \$324,116.
- 2) Tentative Agreement Dated November 17, 2004, Article VII (Salary Classification) has no fiscal impact.
- 3) Tentative Agreement Dated April 21, 2014, Maintenance and Operations Specialist I and II has no fiscal impact.
- 4) Tentative Agreement Dated June 3, 2014, Mechanical Trades Maintenance Worker has no fiscal impact.
- 5) Tentative Agreement Dated June 3, 2014, Maintenance and Operations Specialist I and II (series of eight job descriptions) has an annual impact of \$22,574 based on salary classification being increased for four employees.
- 6) Tentative Agreement Dated June 4, 2014, Article XIII (Leaves) has no fiscal impact.

- 7) Tentative Agreement Dated September 26, 2014, Electrical and Building Automation Controls Technician (Range 31) has an annual impact of \$35,362 based on salary classification being increased for five employees.
- 8) Tentative Agreement Dated September 26, 2014, HVAC&R and Building Automation Controls Technician (Range 31) has an annual impact of \$42,435 based on salary classification being increased for six employees.
- 9) Tentative Agreement Dated September 26, 2014, Irrigation Worker (Range 23) has an annual impact of \$9,187 based on salary classification being increased for six employees.

The total annual fiscal impact for the Tentative Agreements represented in this disclosure is \$757,790. For the 2014-15 fiscal year, the impact is \$433,674.

RECOMMENDATION: Information only. Public disclosure of the terms and conditions, including financial impact, of the Tentative Agreement for employees represented by the California School Employees Association, Chapter 506.

ADDITIONAL MATERIAL: 1) Tentative Agreements, 2) Certification No. 1

Attached: Yes

**RIVERSIDE UNIFIED SCHOOL DISTRICT
AND
CALIFORNIA SCHOOL EMPLOYEES ASSOCIATION
CHAPTER 506
TENTATIVE AGREEMENT
November 17, 2014**

Subject to the approval of the Riverside Unified School District Board of Education (the "District") and subject to ratification by the California School Employees Association, Chapter 506 ("CSEA") the parties agree to:

ARTICLE IX (Health and Welfare Benefits) is amended in its entirety to read:

9.0 Full-time Unit Members: For the purpose of this article only, full-time unit members are defined as those unit members working thirty (30) or more-hours per week.

Part-time Unit Members/Eligibility: Only those unit members working twenty (20) hours per week or more shall be eligible for District sponsored fringe benefits.

Unit members working less than twenty (20) hours per week shall be eligible to participate in District sponsored fringe benefits with full cost paid by the employee. Exceptions to this provision shall be in accordance with COBRA and other appropriate Federal mandates.

9.1 Selection of Plans: Unit members shall be eligible to select a medical plan and a dental plan from the following medical and dental selections: Kaiser HMO (Health Maintenance Organization); EPO (Exclusive Provider Organization); a PPO (Preferred Provider Organization); Delta Dental Premier, MetLife, or Preferred Advantage Dental.

To qualify for medical and/or dental benefits, each unit member must enroll in the unit member's insurance plan during the approved enrollment period.

Information regarding medical and dental plans may be obtained by calling the Employee Benefits Office.

The District and CSEA shall continue to work collaboratively to secure bids from alternate and/or additional health and welfare care providers.

9.2 Payroll Deductions/Medical and Fringe Benefit Allocation: The District contribution toward medical, dental and vision insurance for part-time unit members employed to work less than thirty (30) hours per week but twenty (20) hours per week or more shall be prorated as follows:

- | | |
|---------------------------------|----------|
| 1. Less than 20 hours | = .0% |
| 2. 20 to less than 22.5 hours | = 50.0% |
| 3. 22.5 to less than 27.5 hours | = 62.5% |
| 4. 27.5 to less than 30 hours | = 75.0% |
| 5. 30 to 40 hours | = 100.0% |

A deduction schedule for premium costs shall be given to unit members upon enrollment in the selected plan and will be available from the Employee Benefits Office upon request.

9.3 Limitations: Effective January 01, 2014 ~~2015~~ (The ~~2014~~ **2015** plan year and following), the District contribution toward the medical insurance plan shall be ~~\$10,000~~ **\$10,700** per subscriber. Such contribution shall be applicable to any District sponsored medical plan that the subscriber chooses. Part-time employees will receive a prorated share of the District contribution.

Effective January 1, ~~2014~~ **2015** through December 31, ~~2015~~ **2014**, the District contribution toward the dental insurance plan shall not exceed the amount of the District contribution for the ~~2013~~ **2014** plan year.

This section shall not preclude CSEA or the District from negotiating medical and dental payroll deductions on an annual plan-year basis.

If other employees receive a higher District contribution to their health insurance plans than what is provided herein, the difference shall be paid to unit members. The intent of this language is to maintain parity between CSEA unit members and other District employees.

9.4 Life Insurance: A \$12,500 life insurance plan shall be provided each unit member.

9.5 Medical Insurance for Retirees:

9.5.1 Effective July 1, 2010: Each member of the classified bargaining unit employed more than twenty (20) hours per week retiring into PERS after May 3, 1985, who is between 50 and 64 years of age, inclusive at the time of retirement shall be granted an annual entitlement with which to purchase employee-only medical coverage as such is available through the District. The maximum number of years a member shall be eligible for such entitlement is eight (8) years. The entitlement shall be graduated according to years of service in RUSD as listed below. Unit members working less than full-time, but working twenty (20) or more hours per week, shall receive a pro-rated entitlement in proportion to the average daily hours worked during the unit member's final three (3) years of service on the same basis as provided in 9.2. The ratio of the average daily hours to eight shall determine the percentage of the appropriate entitlement to be granted to the retiree.

<u>Service</u>	<u>Entitlement</u>
15 years	\$1,849 \$2146
16 years	\$2,034 \$2331
17 years	\$2,219 \$2516
18 years	\$2,404 \$2701
19 years	\$2,589 \$2886
20 years	\$2,774 \$3071

Twenty-five Years or More of Service: Bargaining unit members who retire from the District with 25 years or more of service and have been employed by the District as a full-time bargaining unit member for fifteen (15) of the last nineteen (19) years at the time of retirement are entitled to an amount equivalent to the single party premium of the **two** least costly medical plans (**excluding any high deductible plans**) available through the District. However, if the retired employee selects a more costly plan that is made available through the District, the retiree will be responsible for paying the cost of the difference between the annual premiums of the two plans. The maximum number of years a members shall be eligible for such entitlement is eight (8) years.

9.5.2 After Becoming Medicare Eligible: Unit members retiring shall be eligible to continue to purchase coverage in a District group medical insurance plan after becoming Medicare eligible, provided that these conditions exist:

- a. The retiree has been employed in the District for no less than ten (10) years. (Effective July 1, 2010, retirees must have been employed in the District no less than fifteen (15) years.)
- b. The plan carrier allows such participation.
- c. The unit member is otherwise eligible for enrollment in the plan.
- d. The plan is one under which the District is not required by the carrier to pay for any part of the premium.

9.5.3 Retiree with Spouse on Active Status: A unit member eligible and applying to retire may postpone eligibility for this benefit if the retiring unit member has an active, benefits-eligible spouse also employed by the District who will cover said unit members as a plan dependent. The retiring unit member may postpone eligibility for retiree benefits coverage described above until such time as the spouse retires or otherwise loses coverage. Such coverage shall not extend beyond the time the retiree would have otherwise become eligible for Medicare coverage.

- 9.6 Income Protection Insurance: Unit members voluntarily opting for Income Protection Insurance may do so, but shall assume full costs of said insurance program upon selection.
- 9.7 Each unit member who leaves District employment shall be given the right to participate in a District medical and dental plan for eighteen (18) months in accordance with current COBRA regulations and provisions of the insurance carrier.
- 9.8 Health Insurance Waiver: Beginning in the January 1, 2014 plan year, waiver stipends will no longer be paid to unit members. Those employees who waived coverage in the 2013 plan year may continue to waive benefits in accordance with the language stipulated below; however, if the unit member takes medical and/or dental coverage at any point in the future they will no longer be eligible for a waiver stipend.

A full-time unit member showing proof of coverage through an alternate source may choose to waive medical and dental insurance coverage by signing a waiver form. Any full-time unit members waiving medical and dental insurance coverage shall be provided with a total annual stipend of six hundred fifty dollars (\$650).

Full-time unit members who only waive medical insurance coverage shall have their choice of dental plans paid and shall be provided with a yearly stipend of five hundred dollars (\$500).

Part-time unit members who waive medical and dental insurance shall receive a pro rata share of the stipend in accordance with Section 9.2 of this Article. Those who only waive medical insurance coverage ~~only~~ shall have a pro rata share paid by the District of the dental plan of their choice and receive a similar share of the five hundred dollar (\$500) stipend.

- 9.8.1 Dual Spouse Coverage Waivers: When an employee and spouse are both employed by the District and are working full-time assignments, employees covered by District-sponsored medical and dental plans pursuant to Section 9.9 or 9.10 (whichever applies) who only waive medical insurance coverage, shall be

provided with a yearly stipend of seven-hundred and fifty dollars (\$750) in lieu of medical insurance coverage. Part-time unit members who waive medical coverage will receive a prorated share of the medical waiver stipend in accordance with Section 9.2 of this Article.

9.8.2 Request for Waiver: A request for a waiver may be submitted at any time.

9.9 Spouse Employed in the Same Unit: When the unit member and spouse are both members of the bargaining unit covered by this Agreement and eligible for District contribution toward the purchase of benefits, the following will apply:

9.9.1 Medical Benefits: The District contribution will be a pro rata portion of the contribution for full-time unit members, using the unit member/spouse whose assignment is closest to or equal to full time. The other spouse will be covered as a dependent. The District shall contribute to no more than one medical benefit plan per family. In no instance shall this calculation result in a lower District contribution than the unit member would have received had the spouse not been employed by the District.

9.9.2 Dental Benefits and Life Insurance: The District will contribute toward a dental plan and life insurance for each eligible unit member. The fact that they are spouses does not affect the District contribution or benefit plan availability.

9.10 Spouse Employed by the District Outside the Unit Covered by the Agreement: When the spouse of a unit member is employed by the District in a position which is not in the bargaining unit covered by this Agreement but which makes the spouse eligible for a District contribution toward the purchase of benefits, the following will apply:

9.10.1 Medical Benefits: The unit member who is eligible for a District contribution toward the purchase of benefits and the spouse shall elect which of them will be the covered employee and which will be the covered dependent. If the spouse, employed outside the unit, is eligible for a full District contribution toward

medical benefits, the unit member must waive eligibility for employee coverage and receive the appropriate stipend. If the spouse employed outside the unit does not qualify for a full District contribution, either employee may elect to be the covered employee, and the other must waive eligibility for employee coverage and receive the appropriate stipend. The District shall contribute to no more than one medical benefit plan per family.

9.10.2 Dental Benefits and Life Insurance: The District will contribute toward a dental plan and life insurance for each eligible employee. The fact that they are spouses does not affect the District contribution or benefit plan availability.

9.11 District-Paid Insurance After Exhaustion of Paid Sick Leave: After a unit member has exhausted all paid sick leave entitlements, including the accrued sick leave and the five-month entitlement, and, still too incapacitated to work, that unit member is granted a health leave, the District will continue to pay for those portions of the unit member's insurance program it had been paying for on the last day of the unit member's paid sick leave. The District shall continue this payment for up to twelve (12) months or until the unit member is granted disability payments by the Public Employees Retirement System, whichever occurs sooner. The unit member may not add coverages at District expense through the period of District payment following exhaustion of sick leave. The District shall not be obligated to sell the unit member any insurance coverage after this period. It shall be the unit member's responsibility to make timely arrangement for conversion from District coverages.

9.12 Death of a Unit Member: Should a unit member die while in paid status, the District shall pay the cost of the unit member's health insurance program through the fringe benefit year in which the unit member's death occurs. The insurance carrier permitting, the District shall allow the unit member's spouse or dependent to purchase continued health insurance for up to two (2) fringe benefit years subsequent to that in which the unit member died, provided that during that time the spouse or dependent has not remarried or become eligible for health insurance coverage with a different employer. Either

remarriage or employment that has health insurance as a benefit shall provide sufficient reason to end all access to District benefits for the unit member's spouse or dependent. If the spouse or dependent is neither remarried nor employed where health insurance is available through the employer at the end of the second year subsequent to that of the unit member's death, and the spouse or dependent is in a state of economic hardship, the District will request that the carrier continue to allow the District to sell to the spouse or dependent for one more year the coverage previously sold. The District shall be the sole determiner of economic hardship. All purchases of health insurance coverage under this provision shall be made annually and in advance. Unused portions of such payment shall be refunded to the purchaser. Date and method of payment and other implementing procedures shall be determined by the District.

9.13 Health and Welfare Benefits Committee:

- A. The Association and District agree to meet on an as needed basis, and at least once a quarter to discuss the Health and Welfare benefit plans.
 - 1. Composition: The Health and Welfare Benefits Committee (HWBC) will be comprised of four (4) RCTA Representatives, four (4) CSEA Representatives, four (4) Professional Relations members and three (3) non-voting District advisors. Any group may invite outside consultants to the meetings with permission from the HWBC.
 - 2. Decision Making: The HWBC shall be responsible for making recommendations regarding health and welfare insurance carriers, levels of coverage, plan design, premium rates, cost containment and other health and welfare insurance related issues. Consensus shall be used in all committee deliberations. All recommendations from the committee shall be submitted to their respective bargaining teams.

- B. The District shall provide the committee with complete health and welfare benefits data in a timely manner as requested or when received from vendors, which includes but is not limited to:
 - 1. Utilization (HIPPA protected)

2. Claims Experience (HIPPA protected)
3. Enrollment
4. Claims Data Reports
5. Financial Data related to Health Premiums
6. Reports and Updates from the Carriers

AGREED:

For the District:

Susan J. Mills

Date

Assistant Superintendent, Human Resources
Riverside Unified School District

Vanessa Connor

Shani Dahl

Edrai Hernandez

Jill Collier

Orin Williams

For CSEA:

Daniel Rudd

Date

President, CSEA Chapter 506
Riverside Unified School District

Lynn Thompson
Labor Relations Representative
CSEA

Gloria Cormier

Laura Egan

Joyce Marsteller

Joseph Baglio

Tim Wooten

AGREED:

For the District:

Susan J. Mills

Date

Assistant Superintendent, Human Resources
Riverside Unified School District

Vanessa Connor

Shani Dahl

Edral Hernandez

Jill Collier

Orin Williams

For CSEA:

Daniel Rudd

Date

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**RIVERSIDE UNIFIED SCHOOL DISTRICT
AND
CALIFORNIA SCHOOL EMPLOYEES ASSOCIATION
CHAPTER 506
TENTATIVE AGREEMENT
November 17, 2014**

Subject to the approval of the Riverside Unified School District Board of Education (the "District") and subject to ratification by the California School Employees Association, Chapter 506 ("CSEA") the parties agree to:

ARTICLE VII (Salary Classification) is amended in its entirety to read:

8.0 Placement in Class and Definition: Every bargaining unit position shall be placed in a class, and each class assigned a salary range. The assignment of the salary range to a class shall be known as "salary classification." "Classification" means that each position in the classified service shall have a designated title, a regular minimum number of assigned hours per day, days per week, and months per year, a specific statement of the duties required to be performed by the employees in each such position, and the regular monthly salary rates for each such position.

Employees will receive a copy of their specific job description upon initial employment and/or upon a change to their specific assignment or job description. Refer to Appendix A for a complete listing of classifications and salary ranges.

8.1 Temporary Assignment in Higher Classification: When a unit member is temporarily performing the duties of a person in a higher salary range for any period of time which exceeds five (5) working days within a fifteen (15) day calendar period, the unit member shall be paid at the higher classification for the entire period during which the unit member is required to work out of the unit member's classification. The pay step on the higher salary range shall be on the next higher dollar figure above their regular pay, or step 1, whichever is greater.

8.1.1 It is the intent of this section to permit the District to work unit members temporarily outside their normal duties but in so doing to require that some reasonable additional compensation be provided the unit member during such temporary assignment when that assignment is of significant duration. Assignments in a higher classification shall be offered as equally as possible among qualified unit members.

8.2 **Reclassification:** **Reclassification** means the upgrading of a position to a higher classification as a result of the gradual increase of the duties being performed by the incumbent(s) in such position. It is the intent of this section that the incumbent(s) shall be entitled to the upgrading of positions to higher classifications where there has been a significant change, required by the District, in the duties being performed by incumbents in such positions, where such changes are not temporary in nature, and where changes require a skill level or a responsibility level higher than that usually required of the existing classification.

~~8.2.2 **Criteria/Requirements:** An employee, or group of employees, may request a review of their position by filling out a Request for Reclassification form (received from and returned to Human Resources. "Request for Reclassification" forms received in Human Resources on or before January 15, March 15, or September 15 will be considered by the RAC within sixty (60) days.~~

8.3 **Procedure to Request Reclassification:** An employee, or group of employees, (applicant) may request a review of their position by filling out a Request for Reclassification form (received from and returned to the Personnel Department). Request for Reclassification forms received in Personnel on, or before, February 1 or September 15 will be considered and a response will be rendered by the Negotiation Team within ninety (90) calendar days of each deadline date. The Negotiation Team will review the Request for Reclassification

using established criteria and will issue a decision to the applicant with findings and rationale.

~~8.2.1~~ **8.3.1** ~~Reclassification Advisory Committee:~~ ~~The~~ ~~Reclassification~~ ~~Advisory~~ ~~Committee~~ ~~(RAC)~~ ~~shall~~ ~~be~~ ~~composed~~ ~~of~~ ~~four~~ ~~(4)~~ ~~representatives~~ ~~from~~ ~~the~~ ~~District~~ ~~and~~ ~~four~~ ~~(4)~~ ~~representatives~~ ~~from~~ ~~CSEA.~~ ~~The~~ ~~Reclassification~~ ~~Advisory~~ ~~Committee~~ ~~(RAC)~~ ~~reviews~~ ~~the~~ ~~request~~ ~~for~~ ~~reclassification~~ ~~using~~ ~~established~~ ~~criteria~~ ~~and~~ ~~issues~~ ~~a~~ ~~decision.~~ ~~No~~ ~~person~~ ~~shall~~ ~~participate~~ ~~on~~ ~~the~~ ~~RAC~~ ~~without~~ ~~appropriate~~ ~~training~~ ~~in~~ ~~the~~ ~~method~~ ~~and~~ ~~process~~ ~~of~~ ~~determining~~ ~~classifications~~ ~~and~~ ~~ranking.~~ ~~All~~ ~~Negotiation~~ ~~Team~~ ~~members~~ ~~will~~ ~~be~~ ~~trained~~ ~~in~~ ~~the~~ ~~reclassification~~ ~~process.~~ ~~Decisions~~ ~~of~~ ~~the~~ ~~RAC~~ ~~shall~~ ~~be~~ ~~made~~ ~~by~~ ~~majority~~ ~~vote.~~

In the event there is a conflict of interest (ie direct supervision, family relationship, or same classification) by an employee on the Negotiation Team, that employee will recuse himself/herself from voting at that time.

~~8.2.3~~ **8.3.2** ~~If~~ ~~a~~ ~~unit~~ ~~member~~ ~~an~~ ~~applicant~~ ~~does~~ ~~not~~ ~~agree~~ ~~with~~ ~~the~~ ~~Reclassification~~ ~~Advisory~~ ~~Committee's~~ ~~decision,~~ ~~the~~ ~~unit~~ ~~member~~ ~~applicant~~ ~~may~~ ~~request~~ ~~and~~ ~~submit~~ ~~a~~ ~~Reconsideration~~ ~~Form~~ ~~appeal~~ ~~this~~ ~~decision~~ ~~to~~ ~~the~~ ~~RAC~~ ~~Personnel~~ ~~Department~~ ~~within~~ ~~ten~~ ~~fifteen~~ ~~(10-5)~~ ~~workdays~~ ~~from~~ ~~the~~ ~~date~~ ~~the~~ ~~applicant~~ ~~employee~~ ~~was~~ ~~notified~~ ~~in~~ ~~writing~~ ~~of~~ ~~the~~ ~~decision.~~ ~~The~~ ~~request~~ ~~for~~ ~~reconsideration~~ ~~shall~~ ~~be~~ ~~limited~~ ~~to~~ ~~information~~ ~~not~~ ~~previously~~ ~~submitted~~ ~~to~~ ~~or~~ ~~considered~~ ~~by~~ ~~the~~ ~~Negotiation~~ ~~Team.~~ ~~If~~ ~~reconsideration~~ ~~is~~ ~~requested~~ ~~an~~ ~~appeal~~ ~~is~~ ~~made,~~ ~~the~~ ~~RAC~~ ~~Personnel~~ ~~Department~~ ~~shall~~ ~~respond~~ ~~acknowledge~~ ~~receipt~~ ~~of~~ ~~such~~ ~~request~~ ~~within~~ ~~ten~~ ~~(10)~~ ~~work~~ ~~days~~ ~~and~~ ~~forward~~ ~~the~~ ~~request~~ ~~to~~ ~~the~~ ~~Negotiation~~ ~~Team~~ ~~to~~ ~~schedule~~ ~~a~~ ~~meeting~~ ~~with~~ ~~the~~ ~~unit~~ ~~member~~ ~~to~~ ~~review~~ ~~the~~ ~~matter~~ ~~and~~ ~~to~~ ~~render~~ ~~their~~ ~~final~~ ~~decision.~~ ~~The~~ ~~Negotiation~~ ~~Team~~ ~~will~~ ~~notify~~ ~~the~~ ~~applicant~~ ~~of~~ ~~its~~ ~~decision~~ ~~regarding~~ ~~the~~ ~~Request~~ ~~for~~ ~~Reconsideration~~ ~~within~~ ~~a~~ ~~reasonable~~ ~~period~~ ~~of~~ ~~time.~~

~~8.2.4 8.3.3~~ If reconsideration by the RAC reaffirms their prior conclusion that reclassification is unwarranted, the employee is notified of their right to appeal this decision to the ~~Reclassification Appeals Board (RAB) comprised of three (3) CSEA (President, Job Steward, Labor Representative) and three (3) Management (Assistant Superintendent, Human Resources, Director, Classified Personnel, 1 additional designee) representatives.~~ The decision of the ~~RAB Negotiation Team~~ shall be by consensus., ~~final and shall not be If the Negotiation Team determines that a reclassification is warranted it shall be~~ subject to the approval of the Riverside Unified School District Board of Education and ratification by the California School Employees Association, Chapter 506 grievance procedure.

8.3.4 If a request for reclassification is denied, a new request for reclassification may not be submitted until fifteen (15) months from the date of denial.

~~8.3~~ All approved reclassifications shall be forwarded to CSEA for review. If necessary, CSEA will submit a written demand to bargain over the proposed changes to the job description including but not limited to the title, duties, and salary range.

8.4 ~~8.3.1~~ Salary Placement of Reclassified Position: When a position or class of positions is reclassified to a higher range, the position or positions shall be placed at a minimum, on the step of the new range which will result in a percentage salary increase not less than the difference between successive ranges, approximately two and one-half percent (2 ½%)

~~8.4.1 8.3.2~~ Effective Date of Rate Adjustment: Any adjustment in the rate will be effective as of the date the new classification was established or the change or changes implemented. Incumbent unit members shall have their rate adjusted effective to the date they filed a request for reclassification to the Committee.

8.4 ~~8.4.2~~ Incumbent Rights: When an entire class of positions is reclassified, the incumbents in the positions shall be entitled to serve in the new positions.

8.5 8.4.3 Downward Adjustment: When it is agreed that an entire classification shall be reallocated to a lower salary classification, all incumbents serving therein shall be continued at their former rate of pay until future salary adjustments provide a salary increase for those incumbents in the new salary classification. Any other downward adjustment of salary shall be considered a demotion, and shall take place only in accordance with the layoff or disciplinary procedures of this Agreement and applicable law.

8.6 8.4.4 Abolition of a Position or Class of Positions: If the District proposes to abolish a class of positions, it shall notify CSEA in writing.


AGREED:

For the District:

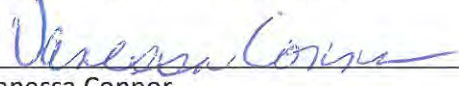
For CSEA:




Susan J. Mills Date
Assistant Superintendent, Human Resources
Riverside Unified School District



Daniel Rudd Date
President, CSEA Chapter 506
Riverside Unified School District



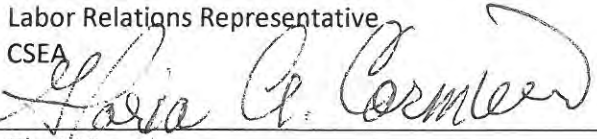
Vanessa Connor



Lynn Thompson
Labor Relations Representative
CSEA



Shani Dahl




Gloria Cormier



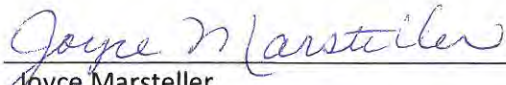
Edrai Hernandez



Laura Egan




Jill Collier




Joyce Marsteller



Orin Williams



Joseph Baglio



Tim Wooten

Memorandum of Understanding
Riverside Unified School District
and the
California School Employees Association and its
Riverside Chapter #506

Maintenance and Operations Specialist Classification

April 21, 2014

Background: The job description for the classification of Maintenance and Operations Specialist does not properly address the work actually being performed by the individual departments the Specialists are assigned to. The Riverside Unified School District (RUSD) desires to create 11 separate job descriptions to address the jobs actually being performed by the 11 separate departments within the maintenance and operations department, Maintenance and Operations Specialist classification. The California School Employees Association and its Chapter 506 (CSEA) desires to protect the seniority rights of the members currently within the M&O Specialist classification.

Agreement: The parties agree that job descriptions will be revised to reflect the job title change and job specific revisions. The employees in the Maintenance and Operations Specialist classification as of 4/21/14 shall retain their seniority within the M&O Specialist classification for the purpose of layoff until such time as they leave the bargaining unit or separate from the District.

This agreement is subject to the CSEA 610 policy regarding ratification and approval by the District's Board of Trustees.

AGREED:

For the District:

 4-21-14

Susan J. Mills Date
Assistant Superintendent, Department of
Personnel- Leadership and Development,
Riverside Unified School District



Vanessa Connor



Shani Dahl

For CSEA:

 4/21/14

Daniel S. Rudd Date
President, CSEA Chapter 506
Riverside Unified School District



Lynn Thompson
Labor Relations Representative
CSEA



Gloria Cormier

**RIVERSIDE UNIFIED SCHOOL DISTRICT
AND
CALIFORNIA SCHOOL EMPLOYEES ASSOCIATION
CHAPTER 506
TENTATIVE AGREEMENT
June 3, 2014**

Subject to the approval of the Riverside Unified School District Board of Education (the "District") and subject to ratification by the California School Employees Association, Chapter 506 ("CSEA") the parties agree to the following job description:

RIVERSIDE UNIFIED SCHOOL DISTRICT

**CLASS TITLE: MECHANICAL TRADES MAINTENANCE WORKER
 (Range 18)**

BASIC FUNCTION:

Under the direction of an assigned supervisor, perform a variety of skilled and semi-skilled building and maintenance work.

REPRESENTATIVE DUTIES:

Pick up and deliver supplies and/or equipment such as scissor or boom lift and trailer to and from assigned sites. *E*

Operate and assure proper maintenance and repair as it relates to a variety of specialized hand tools, power tools and equipment including lifts (scissor and boom). *E*

Assist with (scissor and boom) lift work as assigned. *E*



Perform minor installation of fixtures. *E*

Perform preventive maintenance (PM) on HVAC (Heating, Ventilation, Air Conditioning) units and related equipment. *E*

Drive a District vehicle to conduct work. *E*

Assist with repairs on HVAC&R (Heating, Ventilation, Air Conditioning and Refrigeration) equipment, replacing fuses, installing HVAC units, installing and repairing HVAC&R motors, fabricate, repair, and install duct work. *E*

Assist with energy management system (EMS) installations and repairs.

 CSEA
 District

Replace fuses, fixtures, sockets, drop cords and switches. *E*

Maintain and install minor electrical equipment and lamps. *E*

Assist with installing conduit and lighting ballasts. *E*

Assist with removing and replacing faucets, fixtures and pumps.

Thread and assemble piping. *E*

Clean drains and lines of other plumbing fixtures. *E*

Perform related duties as assigned.

KNOWLEDGE AND ABILITIES:

KNOWLEDGE OF:

Common methods, tools and equipment used in mechanical trades.

Basic HVAC&R theory.

Health and safety regulations.

Safe working methods and procedures.

ABILITY TO:

Perform minor maintenance on buildings and equipment.

Understand and follow oral and written directions.

Establish and maintain effective relationships with others.

Operate the appropriate motor vehicles and lifts (scissors and boom).

Acquire skills in a variety of mechanical trade's positions.

Effectively operate a computer/laptop and commonly used job-related software programs.

EDUCATION AND EXPERIENCE:

Any combination equivalent to: **completion of twelfth grade and one year of experience in a related maintenance trade.**

LICENSES AND OTHER REQUIREMENTS:

Possess and maintain a valid and appropriate California driver's license.

WORKING CONDITIONS:

ENVIRONMENT:

Indoor and outdoor environments.

Driving a vehicle to conduct work.

Subject to fumes and noise from air conditioning and refrigeration equipment.

Exposure to adverse weather conditions.

PHYSICAL ABILITIES:

Dexterity of hands, wrists and fingers to operate hand tools and specialized equipment.

Reaching overhead, above the shoulders and horizontally.
Kneeling or crouching.
Lifting, carrying, pushing and pulling heavy objects.
Climbing ladders and working from heights.
Walking and standing for extended periods of time.
Bending at the waist.


HAZARDS:

Working on ladders, lifts and or scaffolding at heights.
Fumes from HVAC&R, plumbing and electrical soldering or welding.
Electrical power supply and high voltage.
Exposure to vapors and fumes.
Working around and with machinery having moving parts.

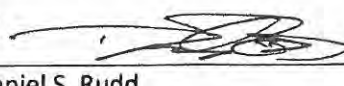
AGREED:

For the District:

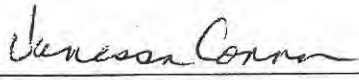
For CSEA:




 Susan J. Mills Date
 Assistant Superintendent, Human Resources
 Riverside Unified School District



 Daniel S. Rudd Date
 President, CSEA Chapter 506
 Riverside Unified School District



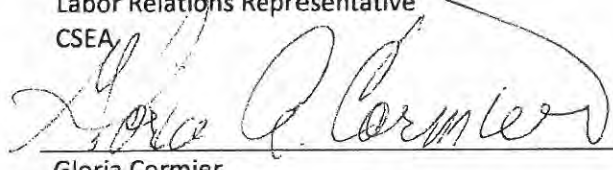
 Vanessa Connor




 Lynn Thompson
 Labor Relations Representative
 CSEA



 Shani Dahl




 Gloria Cormier



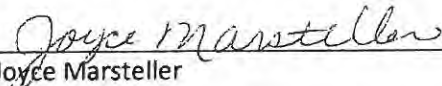
 Edrai Hernandez



 Laura Egan



 Jill Collier



 Joyce Marsteller



 Orin Williams



 Joseph Baglio



 Tim Wooten

**RIVERSIDE UNIFIED SCHOOL DISTRICT
AND
CALIFORNIA SCHOOL EMPLOYEES ASSOCIATION
CHAPTER 506
TENTATIVE AGREEMENT
June 3, 2014**

Subject to the approval of the Riverside Unified School District Board of Education (the "District") and subject to ratification by the California School Employees Association, Chapter 506 ("CSEA") the parties agree to the following job description revisions:

RIVERSIDE UNIFIED SCHOOL DISTRICT

**CLASS TITLE: MAINTENANCE AND OPERATIONS SPECIALIST I-
BUSINESS MACHINES
(Range 30)**

BASIC FUNCTION:

Under the direction of an assigned supervisor, perform a wide variety of highly skilled tasks related to ~~assigned trade(s)~~ **business machine repair**; evaluate work requests and distribute to assigned division staff; conduct inspections of work in progress and completed work to assure compliance with established guidelines and procedures; estimate time and material cost; schedule and assign work to assigned crews.

REPRESENTATIVE DUTIES:

Evaluate work requests and distribute to assigned division staff. *E*

Coordinate the work of Maintenance and Operations personnel in the ~~assigned trade~~ **business machine repair** duties; conduct inspections of work in progress and completed work to assure compliance with established guidelines and procedures. *E*

Order and maintain inventory of equipment and supplies; conduct periodic physical inventory as assigned. *E*

Diagnose problems and arrange for repairs ~~in the assigned maintenance area(s)~~ of **business machine equipment**, travel to District locations to conduct inspections and prepare estimates. *E*

Develop or assist in the development of work schedules; assign tasks to workers. *E*

Provide in-service training for assigned personnel; train assigned staff in the proper operation of related equipment and safety techniques as assigned. *E*

Prepare and file regular reports on the condition of assigned ~~facilities~~ **equipment. E**

~~Participate in the work of assigned trades as assigned; serve as the supervisor in the absence of the supervisor.~~

Perform related duties as assigned.

KNOWLEDGE AND ABILITIES:

KNOWLEDGE OF:

The use and care of commonly used and specialized hand and power tools required in the installation, repair and maintenance of District ~~facilities~~ **business machine equipment.**

Methods, materials and tools utilized in the maintenance of various office machines.

Basic record-keeping techniques.

ABILITY TO:

Perform a variety of on-site and/or shop-based business machine repairs; maintain and repair: electronic duplicators, cash registers, collators, staplers, paper stackers, electronic copiers, and other office machines.

Repair and overhaul a wide variety of manual and electronic office machines.

Follow oral and written directions.

Read and interpret blueprints and installation instructions.

Perform skilled maintenance work.

Present oral **and written** reports.

Develop projected needs for labor, parts and equipment based upon estimated workload.

Operate light and medium weight vehicles.

Establish and maintain effective relationships with others.

Effectively operate a computer/laptop and commonly used job-related software programs.

EDUCATION AND EXPERIENCE:

Any combination equivalent to: graduation from high school and four years experience in ~~skilled maintenance trade in the assigned area of responsibility~~ **office machine maintenance and repair work**, including at least two years at ~~the journey~~ **a journeyman-level.**

LICENSES AND OTHER REQUIREMENTS:

Possess and maintain a valid and appropriate California driver's license.

WORKING CONDITIONS:

ENVIRONMENT:

Indoor environment.

Driving a vehicle to conduct work.

PHYSICAL ABILITIES:

Seeing to diagnose problems.

Dexterity of wrists, hands, and fingers to operate assigned equipment.

Perform heavy manual ~~Physical~~ labor.

Hearing and speaking to exchange information and make presentations.

Sitting or standing for extended periods of time.

~~Lifting~~ **Lift, push, pull or carry heavy objects.**

Bending at the waist.

Crawling, crouching and kneeling to conduct work.

HAZARDS:

Fumes from toner chemicals.

RIVERSIDE UNIFIED SCHOOL DISTRICT

**CLASS TITLE: MAINTENANCE AND OPERATIONS SPECIALIST I –
FLEET SERVICES
(Range 30)**

BASIC FUNCTION:

Under the direction of an assigned supervisor, perform a wide variety of highly skilled tasks related to ~~assigned trade(s)~~ **the automotive repair trade**; evaluate work requests and distribute to assigned division staff; conduct inspections of work in progress and completed work to assure compliance with established guidelines and procedures; estimate time and material cost; schedule and assign work to assigned crews.

REPRESENTATIVE DUTIES:

Evaluate work requests and distribute to assigned division staff. *E*

Coordinate the work of Maintenance and Operations personnel in the ~~assigned trade duties~~ **automotive repair trade**; conduct inspections of work in progress and completed work to assure compliance with established guidelines and procedures, **as well as safety and traffic laws.** *E*

Order and maintain inventory of equipment and supplies; conduct periodic physical inventory as assigned. *E*

Repair and maintain vehicles and equipment such as: heavy vehicles, trucks, backhoes, tractors, vans, cars, generators, and other large and small grounds equipment. *E*

Diagnose problems and arrange for repairs in the assigned maintenance area(s); travel to District locations to conduct inspections and prepare estimates. *E*

Retrieve vehicles wherever they break down. *E*

Develop or assist in the development of work schedules; assign tasks to workers. *E*

Evaluate welding projects and finish work. *E*

Provide in-service training for assigned personnel; train assigned staff in the proper operation of related equipment and safety techniques as assigned. *E*

Prepare and file regular reports on the condition of assigned ~~facilities~~ **vehicles and equipment.** *E*

~~Participate in the work of assigned trades as assigned; serve as the supervisor in the absence of the supervisor.~~

Perform related duties as assigned.

KNOWLEDGE AND ABILITIES:

KNOWLEDGE OF:

The use and care of commonly used and specialized hand and power tools required in the ~~installation~~, repair and maintenance of District ~~facilities~~ **vehicles and equipment.**

Basic record-keeping techniques.

ABILITY TO:

Drive/operate all vehicles and equipment within the District fleet.

Perform preventive maintenance on vehicles and equipment.

Diagnose, repair and maintain a wide variety of large and small gasoline engines and diesel equipment.

Perform welding as assigned.

Follow oral and written directions.

Read and interpret ~~blueprints~~ **repair manuals** and installation instructions.

Perform skilled **automotive** maintenance work.

Present oral **and written** reports.

Develop projected needs for labor, parts and equipment based upon estimated workload.

Operate light and medium weight vehicles.

Establish and maintain effective relationships with others.

Effectively operate a computer/laptop and commonly used job related software programs.

EDUCATION AND EXPERIENCE:

Any combination equivalent to: graduation from high school and four years' experience in ~~skilled maintenance trade in the assigned area of responsibility~~ **as a vehicle mechanic**, including at least two years at ~~the journey level~~ **a journeyman-level.**

LICENSES AND OTHER REQUIREMENTS:

Possess and maintain a valid and appropriate California driver's license.

WORKING CONDITIONS:

ENVIRONMENT:

Indoor and outdoor environment.

Vehicle and equipment repair shop environment.

Driving vehicles to conduct work.

Noise from equipment operation.

Exposure to adverse weather conditions.

PHYSICAL ABILITIES:

Seeing to diagnose problems.
Dexterity of wrists, hands and fingers to operate assigned equipment.
Perform heavy manual Physical labor.
Hearing and speaking to exchange information and ~~train staff make presentations.~~
Standing for extended periods of time.
~~Lifting~~ **Lift, push, pull or carry heavy objects.**
Bending at the waist.
Crawling, crouching and kneeling to conduct work.
Reaching overhead, above the shoulders and horizontally.

HAZARDS:

Subject to noise and fumes from equipment operation.
Exposure to fumes, vapors, gasoline, diesel, oil, and solvents.
Working around machinery with moving parts.
Extreme heat and minor burns associated with welding.

RIVERSIDE UNIFIED SCHOOL DISTRICT

**CLASS TITLE: MAINTENANCE AND OPERATIONS SPECIALIST I –
PAINT SHOP
(Range 30)**

BASIC FUNCTION:

Under the direction of an assigned supervisor, perform a wide variety of highly skilled tasks related to **the painting trade** ~~assigned trade(s)~~; evaluate work requests and distribute to assigned division staff; conduct inspections of work in progress and completed work to assure compliance with established guidelines and procedures; estimate time and material cost; schedule and assign work to assigned crews.

REPRESENTATIVE DUTIES:

Evaluate work requests and distribute to assigned division staff. *E*

Coordinate the work of Maintenance and Operations personnel in the ~~assigned trade~~ **painting trade** duties; conduct inspections of work in progress and completed work to assure compliance with established guidelines and procedures **as well as Air Quality Management Division (AQMD) requirements.** *E*

Order and maintain ~~inventory of~~ equipment and supplies; conduct periodic physical inventory ~~as assigned~~ **and order supplies and materials as needed.** *E*

Diagnose problems and arrange for repairs in the assigned maintenance area(s); travel to District locations to conduct inspections and prepare estimates, **and travel out of the District for parts and materials.** *E*

Develop or assist in the development of work schedules; assign tasks to workers. *E*

Provide in-service training for assigned personnel; train assigned staff in the proper operation **and cleaning of related equipment and, proper sub-straight preparation, proper painting, as well as safety techniques as assigned.** *E*

Operate sandblasting equipment. *E*

Prepare and file regular reports on the condition of assigned facilities. *E*

~~Participate in the work of assigned trades as assigned; serve as the supervisor in the absence of the supervisor.~~

Perform related duties as assigned.

KNOWLEDGE AND ABILITIES:

KNOWLEDGE OF:

The use and care of commonly used and specialized hand and power tools required in the ~~installation, repair and painting maintenance~~ of District facilities and property.

Brush, roller and spray painting practices and procedures.

Preparation of various surfaces, such as interiors and exteriors of buildings, parking lots and play areas.

Application of paints and finishes to various surfaces.

Safety precautions in handling and storage of painting materials.

Safety procedures pertaining to ladders, rigging and scaffolds.

District organization, operations, policies and objectives.

Basic record-keeping techniques.

ABILITY TO:

Train and provide work direction to others.

Follow oral and written directions.

Read and interpret blueprints and installation instructions.

Perform skilled ~~maintenance work~~ **painting and graffiti removal.**

Present oral **and written** reports.

Develop projected needs for labor, parts and equipment based upon estimated workload.

Operate light and medium weight vehicles.

Establish and maintain effective relationships with others.

Effectively operate a computer/laptop and commonly used job-related software programs.

EDUCATION AND EXPERIENCE:

Any combination equivalent to: graduation from high school and four years' experience in ~~skilled maintenance trade in the assigned area of responsibility~~ **Commercial Painting**, including at least two years at ~~the journey level~~ **a journeyman-level.**

LICENSES AND OTHER REQUIREMENTS:

Possess and maintain a valid and appropriate California driver's license.

WORKING CONDITIONS:

ENVIRONMENT:

Indoor and outdoor environments.

Driving a vehicle to conduct work.

Noise from equipment operation.

Exposure to adverse weather conditions.

PHYSICAL ABILITIES:

Seeing to diagnose problems.

Dexterity of wrists, hands and fingers to operate assigned equipment.

Perform heavy manual ~~Physical~~ labor.
Hearing and speaking to exchange information and ~~make presentations~~ train staff.
Standing for extended periods of time.
Lift, push, pull or carry ~~lifting~~ heavy objects.
Bending at the waist.
Crawling, crouching and kneeling to conduct work.
Reaching overhead, above the shoulders and horizontally.
Working from ladders and scaffolding.
Able to wear a respirator.

HAZARDS:

Working on ladders or scaffolding at heights.
Fumes from paint, solvents, and other paint-related chemicals.
Subject to noise from equipment.

RIVERSIDE UNIFIED SCHOOL DISTRICT

**CLASS TITLE: MAINTENANCE AND OPERATIONS SPECIALIST I –
ALARMS and CLOSED CIRCUIT TELEVISION (CCTV)
(Range 30)**

BASIC FUNCTION:

Under the direction of an assigned supervisor, perform a wide variety of highly skilled tasks related to ~~assigned trade(s)~~ **Alarms and CCTV**; evaluate work requests and distribute to assigned division staff; conduct inspections of work in progress and completed work to assure compliance with established guidelines and procedures; ~~estimate time and material cost~~; schedule and assign work to assigned crews. **Provide technical support for site personnel via telephone or e-mail request.**

REPRESENTATIVE DUTIES:

~~Evaluate work requests and distribute to assigned division staff. E~~

~~Coordinate the work of maintenance and operations personnel in the assigned trade duties; conduct inspections of work in progress and completed work to assure compliance with established guidelines and procedures. E~~

~~Order and maintain inventory of equipment and supplies; conduct periodic physical inventory as assigned. E~~

Prepare weekly backlog reports and under the direction of the Alarms/CCTV supervisor distributes daily assignments to the Alarms/CCTV technical staff. E

Responsible for the collection of daily job assignments (work orders) from the Alarms/CCTV technicians and closing and inputting comments including technicians' notes into a computerized work order system. E

Diagnose problems and perform troubleshooting, repairs, calibrate radio and electromechanical public address systems and network based computerized public address systems, Alarms/CCTV equipment. E

Provide recommendations of current District Standards of the Alarms/CCTV equipment. E

Assist in development and upgrading the latest Alarms/CCTV specifications.

Responsible for providing district specifications, inspection, and approval of new construction. E

Develop and maintain preventive maintenance schedules of all Fire and Intrusion Alarm systems. E

Troubleshoot, assist in the repairs, oversee and approve new installation of Alarms/CCTV equipment, order and maintain inventory of equipment and supplies. E

Responsible for conducting periodic physical inventory of Alarms/CCTV supplies and equipment. E

Program and update current Intrusion Alarm codes for all users. E

Run periodic computerized maintenance reports of all addressable fire alarm devices and schedule necessary preventive maintenance. E

Diagnose problems and arrange for repairs in the assigned maintenance area(s); travel to District locations to conduct inspections ~~and prepare estimates.~~ E

~~Develop or~~ **Assist in the development of work schedules; assign tasks to workers.**

~~Provide in-service training for assigned personnel; train assigned staff in the proper operation of related equipment and safety techniques as assigned~~ **safe use of ladders, and aerial lifts safety while working around electrical circuits. E**

~~Prepare and file regular reports on the condition of assigned facilities~~ **Intrusion/Fire Alarm and CCTV systems. E**

Respond to Intrusion and Fire Alarm emergencies and assist the responding authority in resolving, documenting, and securing the sites. E

~~Participate in the work of assigned trades as assigned; serve as the supervisor in the absence of the supervisor.~~

Perform related duties as assigned.

KNOWLEDGE AND ABILITIES:

KNOWLEDGE OF:

The use and care of commonly used and specialized hand and power tools required in the installation, repair and maintenance of District facilities.

Basic record-keeping techniques.

The use and care of commonly used electronic test equipment.

Safety practices working in confined space conditions.

Safety practices working on elevated platforms/ladders.

ABILITY TO:

Interpret and abide by Fire Alarm Code.

Use Volt/ohm (VOM) meter, network analyzing tools and specialized test equipment to identify equipment problems and malfunctions.

Test Fire Alarm/Intrusion Alarm systems and new installations.

Use electrical hand tools during installations or repairs of Fire Alarms and CCTV systems.

Use extension ladders, platform and bucket lifts during service calls and new installation.

Follow oral and written directions.

Read and interpret blueprints, diagrams, schematics, service manuals and installation instructions.

Perform skilled maintenance work.

Present oral and written reports.

Develop projected needs for labor, parts and equipment based upon estimated workload.

Operate light and medium weight vehicles.

Establish and maintain effective relationships with others.

Effectively operate a computer/laptop and commonly used job-related software programs.

EDUCATION AND EXPERIENCE:

Any combination equivalent to: graduation from high school and four years' experience in ~~skilled maintenance trade in the assigned area of responsibility~~ **Fire Alarm/Intrusion Alarm and CCTV system repair**, including at least two years at ~~the journey level~~ **a journeyman-level.**

LICENSES AND OTHER REQUIREMENTS:

Possess and maintain a valid and appropriate California driver's license.

WORKING CONDITIONS:

ENVIRONMENT:

Indoor and outdoor environments.

Driving a vehicle to conduct work.

Noise from equipment operation.

Exposure to adverse weather conditions.

PHYSICAL ABILITIES:

Seeing to diagnose problems.

Dexterity of wrists, hands and fingers to operate assigned equipment for **extended periods of time.**

Perform heavy manual ~~Physical~~ labor.

Hearing and speaking to exchange information and ~~make presentations~~ **train staff.**

Standing for extended periods of time.

Lift, push, pull or carry ~~Lifting~~ heavy objects.

Bending at the waist.

Crawling, crouching and kneeling to conduct work.

Reaching overhead, above the shoulders and horizontally.

HAZARDS:

Working at heights to perform work.

Working in cramped or restrictive work chamber.

RIVERSIDE UNIFIED SCHOOL DISTRICT

**CLASS TITLE: MAINTENANCE AND OPERATIONS SPECIALIST I-
AUDIO/VISUAL (A/V) and RADIO COMMUNICATIONS
(Range 30)**

BASIC FUNCTION:

Under the direction of an assigned supervisor, perform a wide variety of highly skilled tasks related to ~~assigned trade(s)~~ **the A/V and Radio Communications trade**; evaluate work requests and distribute to assigned division staff; conduct inspections of work in progress and completed work to assure compliance with established guidelines and procedures; ~~estimate time and material cost~~; schedule and assign work to assigned crews. **Provide technical support for site personnel via telephone or e-mail request.**

REPRESENTATIVE DUTIES:

~~Evaluate work requests and distribute to assigned division staff. E~~

~~Coordinate the work of maintenance and operations personnel in the assigned trade duties; conduct inspections of work in progress and completed work to assure compliance with established guidelines and procedures. E~~

~~Order and maintain inventory of equipment and supplies; conduct periodic physical inventory as assigned. E~~

Develop or assist in the development of work schedules; assign tasks to workers. *E*

Provide in-service training for assigned personnel; train assigned staff in the proper operation of related equipment ~~and safety techniques as assigned. E~~

~~Prepare and file regular reports on the condition of assigned facilities. E~~

Prepare weekly backlog reports and under the direction of the A/V supervisor distributes daily assignments to A/V technical staff. *E*

Responsible for the collection of daily job assignments (work orders) from the A/V technicians and closing and inputting comments including technicians notes into a computerized work order system. *E*

Diagnose problems and perform troubleshooting, repairs, calibrates, radio and electromechanical public address systems and networked based computerized public address systems and A/V equipment. *E*

Provide recommendations of current District Standards of the A/V and Radio equipment. E

Responsible for maintaining the latest A/V specifications in the District Standards book. E

Inspect and provide District specifications and procedural direction for private contractors during new construction and new district-wide projects. E

Maintain preventive maintenance schedules and procedures. E

Perform preventive maintenance on A/V/Radio equipment; integrate audiovisual components to perform specialized functions. E

Order and maintain inventory of equipment and supplies; conduct periodic physical inventory as assigned of A/V and Radio equipment. E

Perform data entry of Radio and A/V equipment in the computerized asset management database. E

Diagnose problems and arrange for repairs in the assigned maintenance area(s); travel to District locations to conduct inspections. E

Troubleshoot, repair, and maintain A/V and Radio equipment. E

Respond to Intrusion and Fire Alarm emergencies and assist the responding authority in resolving, documenting and securing the sites.

~~Participate in the work of assigned trades as assigned; serve as the supervisor in the absence of the supervisor.~~

Perform related duties as assigned.

KNOWLEDGE AND ABILITIES:

KNOWLEDGE OF:

The use and care of commonly used and specialized hand and power tools required in the installation, repair and maintenance of District facilities.

Basic record-keeping techniques.

The use and care of commonly used electronic test equipment.

Safety practices working in confined space conditions.

Safety practices working on elevated platforms/ladders.

ABILITY TO:

Interpret diagrams, schematics, and service manuals.

Use Volt/ohm (VOM) meter, Oscilloscope, network analyzing tools and test equipment to identify equipment problems and malfunctions.

Use electrical hand tools during installations or repairs of Radio communication or A/V equipment.

Follow oral and written directions.

Read and interpret blueprints, **diagrams, schematics, service manuals** and installation instructions.

Perform skilled maintenance work.

Present oral **and written** reports.

Develop projected needs for labor, parts and equipment based upon estimated workload.

Operate light and medium weight vehicles.

Establish and maintain effective relationships with others.

Effectively operate a computer/laptop and commonly used job related software programs.

EDUCATION AND EXPERIENCE:

Any combination equivalent to: graduation from high school and four years' experience in ~~skilled maintenance trade in the assigned area of responsibility~~ **Radio Communications and A/V repair**, including at least two years at ~~the journey level~~ **a journeyman-level.**

LICENSES AND OTHER REQUIREMENTS:

Possess a Federal Communication Commission (FCC) License.

Possess and maintain a valid and appropriate California driver's license.

WORKING CONDITIONS:

ENVIRONMENT:

Indoor **and outdoor** environments.

Driving a vehicle to conduct work.

Noise from equipment operation.

Exposure to adverse weather conditions.

PHYSICAL ABILITIES:

Seeing to diagnose problems.

Dexterity of wrists, hands and fingers to operate assigned equipment **for extended periods of time.**

Perform heavy manual ~~Physical~~ labor.

Hearing and speaking to exchange information and make presentations.

Sitting or standing for extended periods of time.

Lift, push, pull or carry ~~Lifting~~ heavy objects.

Bending at the waist.

Crawling, crouching and kneeling to conduct work.

Reaching overhead, above the shoulders and horizontally.

HAZARDS:

Working at heights to perform work.

Working in cramped or restrictive work chamber.

RIVERSIDE UNIFIED SCHOOL DISTRICT

**CLASS TITLE: MAINTENANCE AND OPERATIONS SPECIALIST II-
PLUMBING and AQUATIC
(Range ~~30~~ 33)**

BASIC FUNCTION:

Under the direction of an assigned supervisor, perform a wide variety of highly skilled tasks related to ~~assigned trade(s)~~ **the mechanical trades plumbing and aquatic shop**; evaluate work requests and distribute to assigned ~~division~~ **plumbing and aquatic** staff; conduct inspections of work in progress and completed work to assure compliance with established guidelines and procedures; estimate time and material cost; schedule and assign work to assigned ~~crews~~ **plumbing and aquatic staff**.

REPRESENTATIVE DUTIES:

Perform journey-level mechanical maintenance work in the repair, service, installation and alteration of plumbing fixtures; work from blueprints and sketches. E

Repair, remove and replace sewer lines and laterals, gas lines and regulators, hot water heaters, pool heaters, drinking fountains, faucets, toilets and other equipment and systems. E

Install, repair and test hot water, tap water plumbing systems, diagnose malfunctions and determine repair needs. E

Connect water mains, timers and controls. E

Repair and adjust low pressure heating and ventilation equipment. E

Install, service, maintain, regulate, repair and replace plumbing lines, fixtures, fittings and equipment. E

Operate a variety of inspection and specialized repair equipment including power roto-rooters, power snakes and a variety of power and hand tools. E

Unclog drains and rain gutters.

Evaluate work requests and distribute to assigned ~~division~~ plumbing and aquatic staff. E

Coordinate the work of ~~maintenance and operations personnel in the assigned trade~~ assigned plumbing and aquatic staff duties; conduct inspections of work in progress and completed work to assure compliance with established guidelines and procedures. E

Order and maintain inventory of equipment and supplies; conduct periodic physical inventory as assigned. *E*

Diagnose problems and arrange for repairs in the assigned maintenance area(s); travel to District locations to conduct inspections and prepare estimates. *E*

Develop or assist in the development of work schedules; assign tasks to ~~workers~~ **plumbing and aquatic staff.** *E*

Provide in-service training for assigned personnel; train assigned staff in the proper operation of related equipment and safety techniques as assigned. *E*

Prepare and file regular reports on the condition of assigned facilities. *E*

~~Participate in the work of assigned trades as assigned; serve as the supervisor in the absence of the supervisor.~~

Perform related duties as assigned.

KNOWLEDGE AND ABILITIES:

KNOWLEDGE OF:

The use and care of commonly used and specialized hand and power tools required in the installation, repair and maintenance of District facilities.

Principles, methods, equipment, tools and materials of journeyman-level plumbing work.

Applicable mechanical, electrical, plumbing and safety codes and regulations.

Methods, materials, equipment and tools used in hazmat swimming pool procedures, maintenance and operations.

Electrical, plumbing, solar, basic chemistry and combustion.

Basic record-keeping techniques.

Health Department and safety regulations policies related to commercial pools.

Energy Management Systems (EMS), Direct Digital Control (DDC) and related systems.

Pool chemical controllers and how they relate to computers and EMS.

ABILITY TO:

Read and write program code using District related EMS programming languages.

Adapt to changes in controllers, equipment, configuration, programming language and technology.

Prepare clear, complete and concise EMS records and reports.

Read and use a chemical dosing chart.

Perform journeyman-level work in the repair, inspection, servicing and alteration of plumbing systems and related equipment.

Follow oral and written directions.

Read and interpret blueprints and installation instructions.

Perform skilled maintenance work.

Present oral and written reports.

Develop projected needs for labor, parts and equipment based upon estimated workload.
Operate light and medium weight vehicles.
Establish and maintain effective relationships with others.
Effectively operate a computer/laptop and commonly used job related software programs.

EDUCATION AND EXPERIENCE:

Any combination equivalent to: graduation from high school and four years' experience ~~in skilled maintenance trade in the assigned area of responsibility~~ as a plumber, including at least two years at ~~the journey level~~ a journeyman-level.

LICENSES AND OTHER REQUIREMENTS:

Possess and maintain a valid and appropriate California driver's license.
Must possess and maintain a current Aquatic Facility Operator (AFO) or Certified Pool Operator (CPO) certification or successfully obtain the certification within the first six (6) months of employment.

WORKING CONDITIONS:

ENVIRONMENT:

Indoor and outdoor environments.
Driving a vehicle to conduct work.
Working around swimming pools.

PHYSICAL ABILITIES:

Must be able to swim.
Seeing to diagnose problems.
Dexterity of wrists, hands and fingers to operate assigned equipment.
Perform heavy manual ~~Physical~~ labor.
Hearing and speaking to exchange information, ~~and~~ make presentations, **and train staff.**
Lift, push, pull or carry ~~Lifting~~ heavy objects.
Standing for extended periods of time.
Bending at the waist.
Crawling, crouching and kneeling to conduct work.
Reaching overhead, above the shoulders and horizontally.

HAZARDS:

Exposure to offensive or unhealthy vapors and fumes.
Exposure to pool chemicals.
Exposure to high pressure bottles of CO2 (3,000 psi).
Electrical power supply and high voltage.
Working in a cramped or restrictive work chamber.

RIVERSIDE UNIFIED SCHOOL DISTRICT

**CLASS TITLE: MAINTENANCE and OPERATIONS SPECIALIST II-
ELECTRICAL
(Range ~~30~~ 33)**

BASIC FUNCTION:

Under the direction of an assigned supervisor, perform a wide variety of highly skilled tasks related to ~~assigned trade(s)~~ **the mechanical trades Electrical Shop**; evaluate work requests and distribute to assigned ~~division~~ **electrical** staff; conduct inspections of work in progress and completed work to assure compliance with established guidelines and procedures; estimate time and material cost; schedule and assign work to assigned ~~crews~~ **electrical staff**.

REPRESENTATIVE DUTIES:

Evaluate work requests and distribute to assigned **electrical** ~~division~~ staff. *E*

Coordinate the work of ~~maintenance and operations personnel in the~~ assigned **electrical staff** ~~trade~~ duties; conduct inspections of work in progress and completed work to assure compliance with established guidelines and procedures. *E*

Order and maintain inventory of equipment and supplies; conduct periodic physical inventory as assigned. *E*

Diagnose problems and arrange for repairs ~~in the assigned maintenance area(s)~~. *E*

Travel to District locations to conduct inspections and prepare estimates. *E*

Develop or assist in the development of work schedules; assign tasks to ~~workers~~ **electrical staff**. *E*

Provide in-service training for assigned personnel; train assigned staff in the proper operation of related equipment and safety techniques as assigned. *E*

Prepare and file regular reports on the condition of assigned facilities. *E*

Install, repair and service high voltage, low voltage, DDC and related systems. *E*

Inspect, repair, install, test, service, and maintain electrical systems, including conduit and duct systems, light and power circuits, motors, generators, control equipment, switches, switchboards, fans, buzzers; assure balanced load and clean electrical flow. *E*

Install primary and secondary conductors for air conditioning equipment. *E*

Install controls and write simple operating programs for energy management systems (EMS), i.e., air conditioning, pumps, heating, and lighting systems. *E*

Install interior and exterior wiring and conduit; install, repair and maintain ceiling lighting, ballasts and lamps. *E*

Wire new construction, remodels and altered structures according to established safety standards. *E*

Inspect and repair main distribution breakers on transformers and high voltage systems. *E*

Replace circuit breakers and panels. *E*

Assemble, install, and maintain lighting fixtures, switches and field lighting systems. *E*

Order, requisition and maintain an adequate inventory of supplies, parts, and materials. *E*

~~Participate in the work of assigned trades as assigned; serve as the supervisor in the absence of the supervisor.~~

Perform related duties as assigned.

KNOWLEDGE AND ABILITIES:

KNOWLEDGE OF:

The use and care of commonly used and specialized hand and power tools required in the installation, repair and maintenance of District facilities.

Energy Management Systems (EMS), Direct Digital Control (DDC) and related systems.

Methods, practices, materials, tools and equipment used in the electrical trade.

Air conditioning and refrigeration equipment and theory.

Electrical building codes and regulations applicable to school facility maintenance and repair.

Electrical and electronic theory.

Design, installation and maintenance of electrical apparatus.

National Electrical Code and Electrical Safety Orders of the Industrial Accident Commission.

High voltage installation, tools and safety.

ABILITY TO:

Read and write program code using District related EMS programming languages.

Adapt to changes in controllers, equipment, configuration, programming language and technology.

Prepare clear, complete and concise EMS records and reports.

Plan, organize, and lay out electrical work.

Follow oral and written directions.

Read and interpret blueprints and installation instructions.
Perform skilled ~~maintenance~~ **electrical** work.
Present oral **and written** reports.
Develop projected needs for labor, parts and equipment based upon estimated workload.
Operate light and medium weight vehicles.
Establish and maintain effective relationships with others.
Effectively operate a computer/laptop and commonly used job related software programs.

EDUCATION AND EXPERIENCE:

Any combination equivalent to: graduation from high school and four years' experience as an **electrician in skilled maintenance trade in the assigned area of responsibility**, including at least two years at ~~the journey level~~ **a journeyman-level.**

LICENSES AND OTHER REQUIREMENTS:

Possess and maintain a valid and appropriate California driver's license.

WORKING CONDITIONS:

ENVIRONMENT:

Indoor **and outdoor** environments.
Driving a vehicle to conduct work.
Noise from equipment operation.
Exposure to adverse weather conditions.

PHYSICAL ABILITIES:

Seeing to diagnose problems.
Dexterity of wrists, hands and fingers to operate assigned equipment.
Perform heavy manual ~~Physical~~ labor.
Hearing and speaking to exchange information, ~~and~~ **make presentations, and train staff.**
Lift, push, pull or carry ~~Lifting~~ heavy objects.
Standing for extended periods of time.
Bending at the waist.
Crawling, crouching and kneeling to conduct work.
Climbing ladders.
Reaching overhead, above the shoulders and horizontally.

HAZARDS:

Working on ladders or scaffolding at heights.
Working in cramped or restrictive work chamber.
Working around and with machinery having moving parts.
Exposure to flying debris or nails.
Electrical power supply and high voltage.

RIVERSIDE UNIFIED SCHOOL DISTRICT

**CLASS TITLE: MAINTENANCE AND OPERATIONS SPECIALIST II –
HVAC&R/PREVENTIVE MAINTENANCE
(Range 30 33)**

BASIC FUNCTION:

Under the direction of an assigned supervisor, perform a wide variety of highly skilled tasks related to ~~assigned trade(s)~~ **the mechanical trades HVAC&R/PM (Heating, Ventilation, Air Conditioning and Refrigeration/Preventive Maintenance) shop**; evaluate work requests and distribute to assigned ~~division~~ HVAC&R/PM staff; conduct inspections of work in progress and completed work to assure compliance with established guidelines and procedures; estimate time and material cost; schedule and assign work to assigned ~~crews~~ HVAC&R/PM staff.

REPRESENTATIVE DUTIES:

Evaluate work requests and distribute to assigned ~~division~~ HVAC&R/PM staff. *E*

Coordinate the work of ~~maintenance and operations personnel in the assigned trade~~ assigned HVAC&R/PM staff duties; conduct inspections of work in progress and completed work to assure compliance with established guidelines and procedures. *E*

Order and maintain inventory of equipment and supplies; conduct periodic physical inventory as assigned. *E*

Diagnose problems and arrange for repairs in the assigned maintenance area(s); travel to District locations to conduct inspections and prepare estimates. *E*

Develop or assist in the development of work schedules; assign tasks to ~~workers~~ HVAC&R/PM staff. *E*

Provide in-service training for assigned personnel; train assigned staff in the proper operation of related equipment and safety techniques as assigned. *E*

Prepare and file regular reports on the condition of assigned facilities. *E*

~~Participate in the work of assigned trades as assigned; serve as the supervisor in the absence of the supervisor.~~

Install, service, maintain, troubleshoot and repair heating, air conditioning and refrigeration systems and equipment such as water systems, and refrigeration and freezing equipment; perform maintenance on equipment as required. *E*

Diagnose malfunctions and determine repair needs; tests for defective parts. *E*

Install, serve, maintain and repair systems, including temperature controls, pressures, electrical circuit applications, sealed systems and others according to established principles of the industry. *E*

Inspect, repair, maintain, rebuild and replace reciprocating and centrifugal compressors; clean rodding; maintain and service water towers, closed water systems, water pumps and other related equipment. *E*

Repair, install and maintain pneumatic control systems, including air compressors, low and high voltage control systems and related sensory instrumentation and controls for appropriate air flow. *E*

Service, repair, maintain and replace air blowers, exhaust fans, ventilators, coolers, gas fired heating equipment. *E*

Estimate and prepare cost and materials estimates; submit to appropriate personnel for approval; sign on open purchase orders from local vendors according to established procedures. *E*

Test systems and joints; insulate pipes pertaining to heating or ventilation systems. *E*

Fabricate, repair, and install duct work and covers. *E*

Operate and maintain a variety of specialized hand and power tools and equipment. *E*

Assure work completed and in progress complies with applicable EPA laws, rules and regulations. *E*

Perform related duties as assigned.

KNOWLEDGE AND ABILITIES:

KNOWLEDGE OF:

The use and care of commonly used and specialized hand and power tools required in the installation, repair and maintenance of District facilities.

Basic record-keeping techniques.

Energy Management Systems (EMS), Direct Digital Control (DDC) and related systems.

Methods, materials, tools, and equipment used in the maintenance and repair of ventilation and heating equipment.

Building codes, policies, regulations, and guidelines pertaining to typical school District ventilation and heating systems.

Proper use of refrigerant recovery equipment and safe disposal of refrigerant containers.

Technical aspects of field of specialty.

Health and safety regulations.

ABILITY TO:

Perform journeyman-level repair, maintenance, and installation of ventilation, heating and refrigeration equipment.

Read and write program code using District related EMS programming languages.

Adapt to changes in controllers, equipment, configuration, programming language and technology.

Prepare clear, complete and concise EMS and Indoor Air Quality (IAQ) records and reports.

Follow oral and written directions.

Read and interpret blueprints and installation instructions.

Perform skilled HVAC&R maintenance work.

Present oral and written reports.

Develop projected needs for labor, parts and equipment based upon estimated workload.

Operate light and medium weight vehicles.

Establish and maintain effective relationships with others.

Effectively operate a computer/laptop and commonly used job related software programs.

EDUCATION AND EXPERIENCE:

Any combination equivalent to: graduation from high school and four years' experience ~~in skilled maintenance trade in the assigned area of responsibility~~ as an HVAC&R technician, including at least two years at ~~the journey level~~ a journeyman-level.

LICENSES AND OTHER REQUIREMENTS:

Possess and maintain a valid and appropriate California driver's license.

Environmental Protection Agency (EPA) Type Universal License.

WORKING CONDITIONS:

ENVIRONMENT:

Indoor and outdoor environments.

Driving a vehicle to conduct work.

Noise from equipment operation.

Exposure to adverse weather conditions.

PHYSICAL ABILITIES:

Seeing to diagnose problems.

Dexterity of wrists, hands and fingers to operate assigned equipment.

Perform heavy manual ~~Physical~~ labor.

Hearing and speaking to exchange information, ~~and~~ make presentations, and train staff.

Lifting, push, pull or carry heavy objects.

Standing for extended periods of time.

Bending at the waist.


Crawling, crouching and kneeling to conduct work.
Climbing ladders.
Reaching overhead, above the shoulders and horizontally.


HAZARDS:

Working at heights to perform duties.
Working in cramped or restrictive work chamber.
Working around and with machinery having moving parts.
Exposure to vapors, fumes, and gases.
Electrical power supply and high voltage.

AGREED:

For the District:



 _____ Date 6/4/14
 Susan J. Mills
 Assistant Superintendent, Human Resources
 Riverside Unified School District



 Vanessa Connor



 Shani Dahl



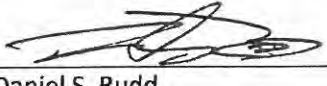
 Edrai Hernandez




 Jill Collier

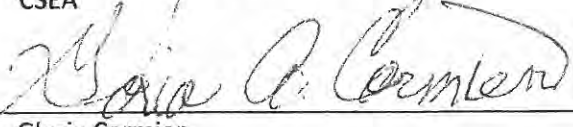

 _____ 6/4/14
 Orin Williams

For CSEA:


 _____ Date 6/4/14
 Daniel S. Rudd
 President, CSEA Chapter 506
 Riverside Unified School District



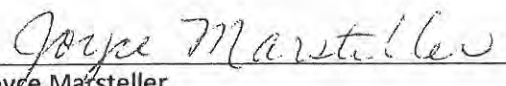
 Lynn Thompson
 Labor Relations Representative
 CSEA



 Gloria Cormier



 Laura Egan



 Joyce Marsteller



 Joseph Baglio



 Tim Wooten

**RIVERSIDE UNIFIED SCHOOL DISTRICT
AND
CALIFORNIA SCHOOL EMPLOYEES ASSOCIATION
and its'
CHAPTER 506
TENTATIVE AGREEMENT
June 4, 2014**

Subject to the approval of the Riverside Unified School District Board of Education (the "District") and subject to ratification by the California School Employees Association, Chapter 506 ("CSEA") the parties agree to:

ARTICLE XIII – LEAVES

Section 13.5 Personal Necessity Leave is amended as follows:

13.5.2 Personal Necessity shall include any of the following:

- (7) Attending the high school graduation, ~~or~~ college graduation, ~~or the elementary school promotion and middle school promotion of the unit member's child/children, not to exceed one (1) day.~~

All other sections of Article XIII – Leaves remain as currently written.

AGREED:
For the District:

Susan Mills Jun 4, 2014
Susan J. Mills Date

Assistant Superintendent, Human Resources
Riverside Unified School District

Vanessa Connor
Vanessa Connor

Shani Dahl
Shani Dahl

Edrai Hernandez
Edrai Hernandez

Jill Collier
Jill Collier

Orin Williams
Orin Williams

For CSEA:

Daniel S. Rudd 6/4/14
Daniel S. Rudd Date

President, CSEA Chapter 506
Riverside Unified School District

Lynn Thompson
Lynn Thompson
Labor Relations Representative
CSEA

Gloria Cormier
Gloria Cormier

Laura Egan
Laura Egan

Joyce Marsteller
Joyce Marsteller

Joseph Baglio
Joseph Baglio

Tim Wooten
Tim Wooten

**RIVERSIDE UNIFIED SCHOOL DISTRICT
AND
CALIFORNIA SCHOOL EMPLOYEES ASSOCIATION
CHAPTER 506
TENTATIVE AGREEMENT
September 26, 2014**

Subject to the approval of the Riverside Unified School District Board of Education (the "District") and subject to ratification by the California School Employees Association, Chapter 506 ("CSEA") the parties agree to the following job description revisions:

RIVERSIDE UNIFIED SCHOOL DISTRICT

**CLASS TITLE: ELECTRICAL AND BUILDING AUTOMATION CONTROLS
TECHNICIAN (Range 27-31)**

BASIC FUNCTION:

Under the direction of a ~~Building Trades Supervisor~~ **an assigned supervisor**, perform journeyman-level electrical work in the repair, alteration, installation and maintenance of electrical systems and equipment.

DISTINGUISHING CHARACTERISTICS:

Incumbents perform journeyman-level **mechanical and** electrical work for the District in the installation, repair and service of **switch gear, marquees and Energy Management Systems (EMS)**, ~~high voltage, low voltage~~, Direct Digital Control (DDC) and related systems.

REPRESENTATIVE DUTIES:

Install, repair, **maintain** and service high voltage (**no higher than 480 volts**), low voltage, DDC and **EMS** related **equipment/systems**. *E*

Inspect, repair, install, test, service, and maintain electrical systems, including conduit and duct systems, light and power circuits, motors, generators, control equipment, switches, switchboards, fans, buzzers; assure balanced load and clean electrical flow. *E*

Install primary and secondary conductors for air conditioning equipment. *E*

Install controls and write simple **and complex** operating programs (**code**) for energy management systems (EMS), i.e., ~~air conditioning~~, pumps, heating, and lighting systems. *E*

Install interior and exterior wiring and conduit; install, repair and maintain ceiling lighting, ballasts and lamps. *E*

Wire new construction, remodels and altered structures according to established safety standards. *E*

Inspect and repair main distribution breakers on transformers and high voltage systems. *E*

Replace circuit breakers and panels. *E*

Assemble, install, and maintain lighting fixtures, switches and field lighting systems. *E*

~~Order, requisition and~~ Maintain an adequate inventory of supplies, parts, and materials. *E*

Operate and maintain a variety of specialized hand and power tools and equipment. *E*

Drive a District vehicle to conduct work and complete regularly scheduled vehicle inspection reports. *E*

Assure work completed and in progress comply with applicable electrical codes, laws, rules and regulations. *E*

Compile, implement and assure correct operation of EMS programs. *E*

Diagnose EMS communication problems. *E*

Create, configure, and monitor EMS graphics. *E*

Install supplemental power supply to temporary and additional facilities and equipment as assigned.

Perform related duties as assigned.

KNOWLEDGE AND ABILITIES:

KNOWLEDGE OF:

Methods, practices, materials, tools, and equipment used in the electrical trade.

~~Air conditioning and refrigeration equipment and theory.~~

PC or laptop operation (Windows and DOS)

Electrical building codes and regulations applicable to school facility maintenance and repair.

Electrical and electronic theory.

Design, installation and maintenance of electrical apparatus.

National Electrical Code and Electrical Safety Orders of the Industrial Accident Commission.

Safe working methods and procedures.

Technical aspects of field of specialty.
Safe working methods and procedures.
High voltage installation, tools and safety.
Energy Management Systems (EMS), Direct Digital Control (DDC) and related systems.
Health and safety regulations.

ABILITY TO:

Skillfully use tools and equipment including desktop and lap top computers in performing electrical installation, maintenance, and repair activities.
Plan, organize, and lay out electrical work.
Accurately estimate labor and material costs.
Work from diagrams, blueprints, shop drawings, sketches, ~~as-builts shop plans~~, **manuals**, and specifications.
Maintain ~~simple~~ records and prepare **clear**, complete and concise **EMS records and reports**.
Understand and follow oral and written directions.
Establish and maintain cooperative working relationships.
Perform complex or varied tasks.
Diagnose EMS communication problems.
Perform technical EMS tasks.
Read and write program code using District related EMS programming languages.
Apply current industry standards.
Effectively operate a computer/laptop and commonly used job related software programs.

EDUCATION AND EXPERIENCE:

Any combination equivalent to: graduation from high school and one year journeyman-level electrical experience.

LICENSES AND OTHER REQUIREMENTS:

Valid California driver's license.
~~Minimum Refrigeration Transition and Recovery Certification "Type II (High Pressure and Very High Pressure Appliances)~~

WORKING CONDITIONS:

ENVIRONMENT:

Indoor and outdoor environments.
Driving a vehicle to conduct work.
Noise from equipment operation.
Exposure to adverse weather conditions.

PHYSICAL ABILITIES:

Seeing to diagnose problems.
Crawling, crouching and kneeling to conduct work.

Lifting, push, pull or carry heavy objects.

Climbing ladders and work from heights.

Dexterity of wrists, hands and fingers to operate **hand tools and specialized hand and power tools equipment.**

Reaching overhead, above the shoulders and horizontally.

Standing and walking for extended periods of time.

Bending at the waist.

Perform heavy manual labor.

Hearing and speaking to exchange information.

HAZARDS:

Working on ladders or scaffolding at heights.

Working in cramped or restrictive work chamber.

Working around and with machinery having moving parts.

~~Exposure to flying debris or nails.~~

Electrical power supply and high voltage.


~~High Pressure.~~

Exposure to vapors, gases and fumes.


AGREED:

For the District:

For CSEA:




 Susan J. Mills Date
 Assistant Superintendent, Human Resources
 Riverside Unified School District



 Daniel S. Rudd Date
 President, CSEA Chapter 506
 Riverside Unified School District



 Vanessa Connor




 Lynn Thompson
 Labor Relations Representative
 CSEA



 Shani Dahl




 Gloria Cormier



 Edrai Hernandez



 Laura Egan



 Jill Collier



 Joyce Marsteller



 Orin Williams



 Joseph Baglio



 Tim Wooten



**RIVERSIDE UNIFIED SCHOOL DISTRICT
AND
CALIFORNIA SCHOOL EMPLOYEES ASSOCIATION
CHAPTER 506
TENTATIVE AGREEMENT
September 26, 2014**

Subject to the approval of the Riverside Unified School District Board of Education (the "District") and subject to ratification by the California School Employees Association, Chapter 506 ("CSEA") the parties agree to the following job description revisions:

RIVERSIDE UNIFIED SCHOOL DISTRICT

**CLASS TITLE: HVAC&R AND BUILDING AUTOMATION CONTROLS
TECHNICIAN (Range 27 31)**

BASIC FUNCTION:

Under the direction of ~~the a Building Trades Supervisor~~ **an assigned supervisor**, perform ~~skilled~~ **journeyman-level** mechanical and electrical work in the inspection, service, installation, repair and alteration of heating, air-conditioning and refrigeration systems and related equipment.

DISTINGUISHING CHARACTERISTICS:

Incumbents perform journeyman-level mechanical and electrical work for the District in the installation, repair and service of heating, air conditioning, and refrigeration, Energy Management Systems (EMS), Direct Digital Control (DDC) and related systems.

REPRESENTATIVE DUTIES:

Install, service, maintain, troubleshoot and repair heating, air conditioning and refrigeration systems and equipment such as ~~water~~ **hydronic systems, cooling towers, package units** and refrigeration ~~and freezing~~ equipment; perform maintenance on equipment as required. *E*

Diagnose malfunctions and determine repair needs; tests for defective parts. *E*

Install, serve, maintain and repair systems, including temperature controls, pressures, electrical circuit applications, sealed systems, **EMS equipment/systems** and others according to established principles of the **HVAC&R and EMS controls** industry. *E*

Inspect, repair, maintain, rebuild and replace reciprocating and centrifugal compressors; clean rodding; maintain and service ~~water~~ **cooling towers, closed loop water systems, water pumps** and other related equipment. *E*

Repair, install and maintain pneumatic control systems, including air compressors, low and high voltage control systems and related sensory instrumentation and controls for appropriate air flow. *E*

Service, repair, maintain and replace air blowers, **boilers**, exhaust fans, ventilators, coolers, **heat pumps**, gas fired heating equipment. *E*

Estimate and prepare cost and materials estimates; submit to appropriate personnel for approval; sign on open purchase orders from local vendors according to established procedures. *E*

Test systems and joints; insulate pipes pertaining to heating or ventilation systems. *E*

Fabricate, repair, and install duct work and covers. *E*

Operate and maintain a variety of specialized hand and power tools and equipment. *E*

Drive a District vehicle to conduct work **and complete regularly scheduled vehicle inspection reports**. *E*

Assure work completed and in progress comply with applicable EPA laws, rules and regulations. *E*

Write simple and complex EMS program code. *E*

Compile, implement and assure correct operation of EMS programs. *E*

Diagnose EMS communication problems. *E*

Create, configure, and monitor EMS graphics. *E*

Perform related duties as assigned.

KNOWLEDGE AND ABILITIES:

KNOWLEDGE OF:

Basic record-keeping techniques.

Energy Management Systems (EMS), Direct Digital Control (DDC) and related systems.

PC or laptop operation (Windows and DOS).

Methods, materials, tools, and equipment used in the maintenance and repair of ventilation and heating equipment.

Building codes, policies, regulations, and guidelines pertaining to typical school District ventilation and heating systems.

Safe working methods and procedures.

Proper use of refrigerant recovery equipment and safe disposal of refrigerant containers.

Technical aspects of field of specialty.

Health and safety regulations.

ABILITY TO:

Perform journeyman-level repair, maintenance, and installation of ventilation, heating and refrigeration equipment.

Skillfully use tools and equipment including desktop and laptop computers in performing HVAC&R installation, maintenance, and repair activities.

Work from blueprints, shop drawings, sketches, manuals, as-builts, specifications, and diagrams.

Plan, organize, and lay out HVAC&R work.

Accurately estimate labor and material.

Maintain records and prepare clear, complete and concise EMS records and reports.

Understand and follow oral and written directions.

Establish and maintain cooperative working relationships.

Maintain work pace appropriate to given work load.

Operate, adjust and service specialized equipment used in the basic trade.

Diagnose EMS communication problems.

Perform technical EMS tasks.

Read and write program code using District related EMS programming languages.

Perform complex and varied tasks.

Apply current industry standards.

Effectively operate a computer/laptop and commonly used job related software programs.

EDUCATION AND EXPERIENCE:

Any combination equivalent to: graduation from high school and two years of journeyman-level HVAC & Refrigerant experience.

LICENSES AND OTHER REQUIREMENTS:

Valid California driver's license.

Valid **Environmental Protection Agency (EPA) Refrigerant Recycling certification.**

WORKING CONDITIONS:

ENVIRONMENT:

Indoor and outdoor environment.

Driving a vehicle to conduct work.

Subject to fumes and noise from air conditioning and refrigeration equipment.

Noise from equipment operation.

Exposure to adverse weather conditions.

PHYSICAL ABILITIES:

Seeing to diagnose problems.

Crawling, or crouching, and kneeling to conduct work.

Lifting, push, pull or ~~and~~ carrying heavy objects.

Climbing ladders and work from heights.

Dexterity of wrists, hands and fingers to operate hand tools and specialized equipment.

Reaching overhead, above the shoulders and horizontally.

Walking and standing for extended periods of time.

Bending at the waist.

Perform heavy manual labor.

Hearing and speaking to exchange information.

HAZARDS:

Working on ladders or scaffolding at heights.

Working in a cramped or restrictive work chamber.

Working around and with machinery having moving parts.

Electrical power supply and high voltage.


Exposure to vapors, gases and fumes.

High Pressure.

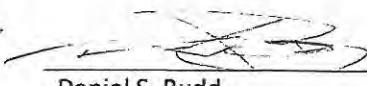
AGREED:

For the District:

For CSEA:



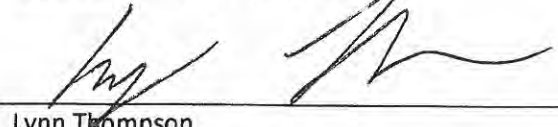
Susan J. Mills Date 9-26-14
Assistant Superintendent, Human Resources
Riverside Unified School District



Daniel S. Rudd Date 9-26-14
President, CSEA Chapter 506
Riverside Unified School District



Vanessa Connor



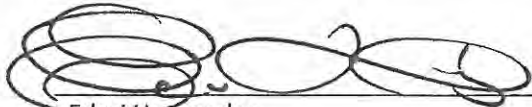
Lynn Thompson
Labor Relations Representative
CSEA



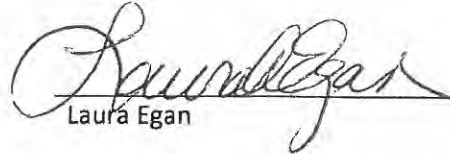
Shani Dahl



Gloria Cormier



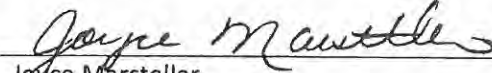
Edrai Hernandez



Laura Egan



Jill Collier



Joyce Marsteller



Orin Williams



Joseph Baglio



Tim Wooten

**RIVERSIDE UNIFIED SCHOOL DISTRICT
AND
CALIFORNIA SCHOOL EMPLOYEES ASSOCIATION
CHAPTER 506
TENTATIVE AGREEMENT
September 26, 2014**

Subject to the approval of the Riverside Unified School District Board of Education (the "District") and subject to ratification by the California School Employees Association, Chapter 506 ("CSEA") the parties agree to the following job description revisions:

RIVERSIDE UNIFIED SCHOOL DISTRICT

CLASS TITLE: Irrigation Worker (Range ~~22~~ 23)

BASIC FUNCTION:

Under the direction of an assigned supervisor, perform skilled maintenance irrigation work ~~in~~ **including programming central irrigation control software and maintain hardware, radio/antenna installations and system repair. Manage water resources,** the repair, installation and alteration of sprinkler and irrigation systems and related work as required. A major portion of the Irrigation Worker's time in this class is spent in performing skilled sprinkler installation, repairs and related work. The Irrigation Worker may, as the need arises, be assigned to carry out general grounds maintenance work outside the ~~sprinkler~~ **sprinkler irrigation** repair trade.

REPRESENTATIVE DUTIES:

Perform and schedule irrigation using computerized software. E

Field repair of central control hardware components. E

Manage water resources. E

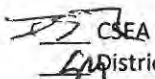
Track and repair low voltage wiring. E

Installs, maintains and repairs ~~sprinkling~~ **sprinkler** systems for turfed and planted areas including piping, valves, controls, sprinkler heads and appurtenant materials and facilities. **E**

Overhauls and tests heads in the field and in the shop. **E**

Operate all types of equipment used in the field of sprinkler repair, such as threaders, cutters, test equipment, trencher equipment and maintains such in proper condition. **E**

Install sprinkler systems. **E**


CSEA
District

Design revisions or new sprinkler systems. *E*

Maintain inventory and order supplies. *E*

Maintain sprinkler heads by cutting grass around and adjusting height of heads. *E*

Assists in the installation and maintenance of pumps and electrical controls. *E*

Perform related duties as assigned.

KNOWLEDGE AND ABILITIES:

KNOWLEDGE OF:

Irrigation software and hardware components

Work safety

Automated central control irrigation systems

Various aspects of pipe fitting as it applies to sprinkler installations

Sizes and specification of pipes and fittings for proper volumes and pressures

Methods and materials used in the installation, maintenance and repair of automatic sprinkler systems including knowledge of the various likes of controllers, valves and heads

Landscape installation and maintenance

~~Automated central control irrigation system~~

~~Landscape installation and maintenance~~

ABILITY TO:

Effectively operate a computer/laptop and commonly used job related software programs.

Operate irrigation software for programming and scheduling.

Operate the tools and equipment used in the installation, maintenance and repair of manual and automatic sprinkler systems.

Read and interpret drawings and blueprints of water irrigation system.

Determine watering requirements for location and design of an effective irrigation system.

Perform and learn a wide range of general maintenance and repair work.

Maintain records.

Work cooperatively with those contacted in the course of work.

Follow oral and written notifications.

Work with minimum supervision.

Read and write at the level for successful job performance.

Coordinated and schedule the work of others.

Reads blueprints and prepares sprinkler layouts, prepares material lists and lays out work at the job site.

Calculate job estimates regarding man-hours and costs of materials.

Make changes on master blueprints of irrigation systems.

Install and maintains **internal backflow devices on irrigation systems.**

Service or replace clock motors and micro switches in automatic timing devices.

Replace soil and turf after maintenance and repair work is completed.

Install and repair galvanized, cast iron, transite, PVC, and other types of pipe found in sprinkler systems.

Lead the work of others, assist other grounds personnel and perform grounds maintenance work as required.

EDUCATION AND EXPERIENCE:

Education: Individuals possessing the knowledge and ability listed above are considered possessing the necessary education.

Experience: Two (2) years of groundskeeping or construction experience including experience in the installation and repair of manual and automatic sprinkler systems and experience in the irrigation field.

LICENSES AND OTHER REQUIREMENTS:

Valid Class C California driver's license.

WORKING CONDITIONS:

ENVIRONMENT:

Outside work environment

Traveling from site to site to conduct work

Subject to adverse weather conditions and noise from equipment operation

Regular exposure to fumes, dust, and dirt

PHYSICAL ABILITIES:

Seeing to diagnose problems.

Stooping and Kneeling, crouching and crawling to conduct work.

Strength: ~~Heavy work~~ Lifting, carrying, pushing or pulling up to 100 pounds with frequent lifting and/or carrying of heavy objects weighing up to 50 pounds.

Climbing.

Dexterity of hands, wrists and fingers to operate a variety of specialized equipment and tools.

~~Gripping/grasping tools, supplies and equipment~~

Reaching overhead, **above the shoulders** and horizontally.

Standing and walking for extending periods of time.

Walking over rough and uneven surfaces.

Bending, twisting at the waist.

Perform heavy manual labor.

Hearing and speaking to exchange information.

HAZARDS:

Working with machinery having moving parts

Exposure to fertilizer fumes, pollen, chemicals and dust

Working with non-potable water.

AGREED:

For the District:

Susan J. Mills
Assistant Superintendent, Human Resources
Riverside Unified School District

9-26-14

Vanessa Connor
Vanessa Connor

Shani Dahl
Shani Dahl

Edrai Hernandez
Edrai Hernandez

Jill Collier
Jill Collier

Orin Williams
Orin Williams

For CSEA:

Daniel S. Rudd
President, CSEA Chapter 506
Riverside Unified School District

9-26-14

Lynn Thompson
Labor Relations Representative
CSEA

Gloria Cormier
Gloria Cormier

Laura Egan
Laura Egan

Joyce Marsteller
Joyce Marsteller

Joseph Baglio
Joseph Baglio

Tim Wooten
Tim Wooten

DISCLOSURE OF COLLECTIVE BARGAINING AGREEMENT

In accordance with California Government Code Section 3547.5, Education Code Section 42142, and the criteria and standards adopted by the State Board of Education.

Riverside Unified School District (School District Name)

Certificated

Classified

California School Employee Association (Bargaining Unit Name)

New

Reopened

The proposed agreement covers the period from: 7/1/14 to 6/30/15

The governing board is to act on this agreement at its meeting on: January 2015 (Date)

Agreement/MOU attached

Note: This disclosure, along with a copy of the proposed agreement, is due to the Riverside County Office of Education at least ten (10) working days prior to the date the governing board is to take action.

Additionally, please contact DFS retirement prior to any retroactive pay.

(A) Proposed Change in Compensation

	COMPENSATION (FUND 03 AND FUND 06, R6500, R8150)	COST PRIOR TO PROPOSED AGREEMENT (Current Budget)	FISCAL IMPACT OF PROPOSED AGREEMENT		
			Current Year Increase/ (Decrease)	Year 2 Increase/ (Decrease)	Year 3 Increase/ (Decrease)
1.	Salary Schedule - Increase (Decrease) <i>(Includes Step and Column reported on Line 8)</i>	\$ 27,340,525 % Salary Schedule	0.00%	0.00%	0.00%
2.	Statutory Benefits <i>(STRS, PERS, FICA, Medicare, etc)</i>	\$ 8,365,180 % Statutory Benefits	\$ 324,116 3.87%	\$ 324,116 3.73%	0.00%
3.	Base Costs <i>(Total of Lines 1 & 2)</i>	\$ 35,705,705 % Base Costs	\$ 324,116 0.91%	\$ 324,116 0.90%	\$ - 0.00%
4.	a. Other Compensation - Increase (Decrease) <i>(Describe in Section 12, Page 2)</i>	N/A % Salary Schedule	0.00%	0.00%	0.00%
	b. Changes to Step and Column With Agreement <i>(Describe in Section 13, Page 2)</i>	N/A % Salary Schedule	0.00%	0.00%	0.00%
	c. Applicable Statutory Benefits	N/A % Salary Schedule	0.00%	0.00%	0.00%
5.	Health/Welfare Benefits - Increase (Decrease) Current Cap: \$10,000, \$10,700 Proposed Cap: n/a	\$ 6,875,758 % Salary Schedule	\$ - 0.00%	\$ - 0.00%	0.00%
6.	Proposed Negotiated Change in Compensation <i>(Excludes Statutory Benefits) (Lines 1, 4a, 4b, & 5)</i>		\$ - 0.00%	\$ - 0.00%	\$ - 0.00%
7.	Total Cost of Agreement <i>(Includes Statutory Benefits) (Lines 3, 4, & 5)</i>	\$ 42,581,463 % Base Costs	\$ 324,116 0.91%	\$ 324,116 0.90%	\$ - 0.00%
8.	Step and Column Due to Movement <i>(Included in Salary Schedule reported on Line 1)</i>	\$ 1,545,851 % Salary Schedule 5.99%	N/A N/A	0.00%	0.00%
9.	Total Number of Represented Employees	900.0	900.0	900.0	900
10.	Cost of Agreement per Average Employee	47,313 % from Prior Year	360 0.76%	\$ 360 0.76%	\$ - 0.00%

11. What is the negotiated percentage increase or decrease in compensation? If applicable, please explain how the district will implement furlough days; include the number of furlough days and the equivalent percentage reduction. Will furlough days be ongoing or will they end at the end of the agreement? In the event of an increase, please annualize the percentage increase for the first year if that increase is for less than one full year.

None

12. Are there any other compensation items included in the agreement? Please explain any changes indicated on page 1, Section A, 4a.

No

13. Is the district adding any steps, columns, or ranges due to the agreement? Please explain any changes indicated on page 1, Section A, 4b.

No

14. Does this unit have a negotiated cap for health and welfare benefits? yes no
Please describe the district's annual health and welfare cost per employee for this bargaining unit, and indicate the current and proposed cap on page 1, Section A, 5.

The District contributes on an eligible employee basis to District-sponsored medical and dental plans. The plan year is the calendar year (January through December). All contributions are prorated for part-time eligible employees. Effective January 1, 2015 (the 2015 plan year) and following the District contribution to medical plans per eligible employee is \$10,700. The District's contribution to dental plans varies per plan.

(B) Proposed Negotiated Changes in Non-Compensation Items

Please discuss proposed changes in non-compensation items such as class size adjustments, staff development days, teacher prep time, classified staffing ratios, etc.

None

(C) Specific Impact on Instructional and Support Programs to Accommodate Agreement

Please discuss the impact of proposed changes on instructional and support programs (e.g. length of school year, staff reductions or increases, elimination or expansion of programs or services such as counseling, librarians, custodial services, etc.)

None

(D) Proposed Contingency Language

Please detail proposed contingency language relating to funding restoration, reopening, applicable fiscal years, or other significant provisions. Please indicate when restoration will occur, if applicable.

None

(E) Impact on Deficit Spending

Will this agreement increase deficit spending in the current or subsequent years? Deficit spending exists when a fund's total expenditures and other financing uses exceeds the total revenues and other financing sources in a given fiscal year.

NO

(F) Funding Source(s) for Proposed Agreement

1. Please discuss the proposed funding source for the current year.

Available restricted and unrestricted revenues.

2. If a single year agreement, please explain how any resulting ongoing costs will be funded in subsequent fiscal years (i.e. explain the assumptions showing the district can afford the contract in future years). If a multi-year agreement, please discuss the funding sources for each year, including assumptions used, to fund this obligation in future years. Consider any compounding effects when evaluating subsequent year impacts.

Ongoing costs will be funded from on-going recurring restricted and unrestricted revenues including those received through the Local Control Funding Formula.

(G) Impact of Proposed Agreement on Current Year General Fund Operating Budget

In accordance with California Government Code Section 3547.5, Education Code Section 42142, and the criteria and standards adopted by the State Board of Education.

UNRESTRICTED GENERAL FUND

CURRENT YEAR OPERATING BUDGET	(Col. 1) Board-Approved Budget Prior to Settlement	(Col. 2)* Adjustments Resulting from Settlement	(Col. 3)* Other Revisions Board Approved Date _____	(Col. 4) Total Revised Budget (Col. 1+2+3)
REVENUES				
State Aid Sources 8010-8099	\$ 301,198,550			\$ 301,198,550
Federal Revenue 8100-8299	306,000			306,000
Other State Revenue 8300-8599	10,446,217			10,446,217
Other Local Revenue 8600-8799	3,142,291			3,142,291
TOTAL REVENUES	\$ 315,093,058	\$ -	\$ -	\$ 315,093,058
EXPENDITURES				
Certificated Salaries 1000-1999	\$ 150,054,394			\$ 150,054,394
Classified Salaries 2000-2999	35,287,491			35,287,491
Employee Benefits 3000-3999	51,558,179			51,558,179
Books and Supplies 4000-4999	17,062,372			17,062,372
Services & Operating Expenditures 5000-5999	30,657,956			30,657,956
Capital Outlay 6000-6999	8,443,181			8,443,181
Other Outgo 7100-7299 7400-7499	70,000			70,000
Indirect/Direct Support Costs 7300-7399	(4,252,074)			(4,252,074)
TOTAL EXPENDITURES	\$ 288,881,498	\$ -	\$ -	\$ 288,881,498
OTHER FINANCING SOURCES/USES				
Contributions 8980-8999	\$ (40,173,702)			\$ (40,173,702)
Transfers In and Other Sources 8910-8979	\$ -			\$ -
Transfers Out and Other Uses 7610-7699	\$ 3,339,618			\$ 3,339,618
TOTAL EXPENDITURES AND USES	\$ 292,221,116	\$ -	\$ -	\$ 292,221,116
INCREASE (DECREASE) IN FUND BALANCE	\$ (17,301,760)	\$ -	\$ -	\$ (17,301,760)
BEGINNING BALANCE 791,9793,9794	\$ 62,162,059			\$ 62,162,059
ENDING BALANCE	\$ 44,860,299	\$ -	\$ -	\$ 44,860,299
COMPONENTS OF ENDING BALANCE				
Nonspendable 9711-9719	\$ 650,000			\$ 650,000
Restricted 9740				\$ -
Committed 9750-9760	16,544,750			16,544,750
Assigned 9780	3,953,800			3,953,800
Reserve for Economic Uncertainties 9789	8,180,943			8,180,943
Unassigned/Unappropriated 9790	\$ 15,530,806	\$ -	\$ -	\$ 15,530,806

*If the total adjustments in Col. 2 do not agree with the Total Cost of Agreement on page 1, Section A, Line 7, please explain the variance below (e.g. partially budgeted, salaries and benefits are budgeted in other funds), and/or explain any revisions included in Col. 3.

(G) Impact of Proposed Agreement on Current Year General Fund Operating Budget

In accordance with Government Code Section 3547.5, Education Code Section 42142, and the criteria and standards adopted by the State Board of Education.

RESTRICTED GENERAL FUND

CURRENT YEAR OPERATING BUDGET	(Col. 1) Board-Approved Budget Prior to Settlement	(Col. 2)* Adjustments Resulting from Settlement	(Col. 3)* Other Revisions Board Approved Date _____	(Col. 4) Total Revised Budget (Col. 1+2+3)
REVENUES				
State Aid Sources 8010-8099	\$ -			\$ -
Federal Revenue 8100-8299	28,115,856			28,115,856
Other State Revenue 8300-8599	31,036,251			31,036,251
Other Local Revenue 8600-8799	2,414,604			2,414,604
TOTAL REVENUES	\$ 61,566,711	\$ -	\$ -	\$ 61,566,711
EXPENDITURES				
Certificated Salaries 1000-1999	\$ 40,364,172			\$ 40,364,172
Classified Salaries 2000-2999	17,960,096			17,960,096
Employee Benefits 3000-3999	17,086,000			17,086,000
Books and Supplies 4000-4999	14,975,408			14,975,408
Services & Operating Expenditures 5000-5999	21,002,970			21,002,970
Capital Outlay 6000-6999	2,004,532			2,004,532
Other Outgo 7100-7299 7400-7499	-			-
Indirect/Direct Support Costs 7300-7399	3,432,835			3,432,835
TOTAL EXPENDITURES	\$ 116,826,013	\$ -	\$ -	\$ 116,826,013
OTHER FINANCING SOURCES/USES				
Contributions 8980-8999	\$ 40,173,702			\$ 40,173,702
Transfers In and Other Sources 8910-8979	\$ -			\$ -
Transfers Out and Other Uses 7610-7699	\$ -			\$ -
TOTAL EXPENDITURES AND USES	\$ 116,826,013	\$ -	\$ -	\$ 116,826,013
INCREASE (DECREASE) IN FUND BALANCE	\$ (15,085,600)	\$ -	\$ -	\$ (15,085,600)
BEGINNING BALANCE 9791,9793,9795	\$ 23,176,535			\$ 23,176,535
ENDING BALANCE	\$ 8,090,935	\$ -	\$ -	\$ 8,090,935
COMPONENTS OF ENDING BALANCE				
Nonspendable 9711-9719	\$ -			\$ -
Restricted 9740	\$ 8,090,935	\$ -		8,090,935
Committed 9750-9760				-
Assigned 9780				-
Reserve for Economic Uncertainties 9789				-
Unassigned/Unappropriated 9790	\$ 0	\$ -	\$ -	\$ 0

*If the total adjustments in Col. 2 do not agree with the Total Cost of Agreement on page 1, Section A, Line 7, please explain the variance below (e.g. partially budgeted, salaries and benefits are budgeted in other funds), and/or explain any revisions included in Col. 3.

--

(G) Impact of Proposed Agreement on Current Year General Fund Operating Budget

In accordance with Government Code Section 3547.5, Education Code Section 42142, and the criteria and standards adopted by the State Board of Education.

COMBINED GENERAL FUND

CURRENT YEAR OPERATING BUDGET	(Col. 1) Board-Approved Budget Prior to Settlement	(Col. 2)* Adjustments Resulting from Settlement	(Col. 3)* Other Revisions Board Approved Date _____	(Col. 4) Total Revised Budget (Col. 1+2+3)
REVENUES				
State Aid Sources 8010-8099	\$ 301,198,550	\$ -	\$ -	\$ 301,198,550
Federal Revenue 8100-8299	\$ 28,421,856	\$ -	\$ -	28,421,856
Other State Revenue 8300-8599	\$ 41,482,468	\$ -	\$ -	41,482,468
Other Local Revenue 8600-8799	\$ 5,556,895	\$ -	\$ -	5,556,895
TOTAL REVENUES	\$ 376,659,769	\$ -	\$ -	\$ 376,659,769
EXPENDITURES				
Certificated Salaries 1000-1999	\$ 190,418,566	\$ -	\$ -	\$ 190,418,566
Classified Salaries 2000-2999	\$ 53,247,587	\$ -	\$ -	53,247,587
Employee Benefits 3000-3999	\$ 68,644,180	\$ -	\$ -	68,644,180
Books and Supplies 4000-4999	\$ 32,037,780	\$ -	\$ -	32,037,780
Services & Operating Expenditures 5000-5999	\$ 51,660,926	\$ -	\$ -	51,660,926
Capital Outlay 6000-6999	\$ 10,447,713	\$ -	\$ -	10,447,713
Other Outgo 7100-7299 7400-7499	\$ 70,000	\$ -	\$ -	70,000
Indirect/Direct Support Costs 7300-7399	\$ (819,239)	\$ -	\$ -	(819,239)
TOTAL EXPENDITURES	\$ 405,707,511	\$ -	\$ -	\$ 405,707,511
OTHER FINANCING SOURCES/USES				
Contributions 8980-8999	\$ -	\$ -	\$ -	\$ -
Transfers In and Other Sources 8910-8979	\$ -	\$ -	\$ -	\$ -
Transfers Out and Other Uses 7610-7699	\$ 3,339,618	\$ -	\$ -	\$ 3,339,618
TOTAL EXPENDITURES AND USES	\$ 409,047,129	\$ -	\$ -	\$ 409,047,129
INCREASE (DECREASE) IN FUND BALANCE	\$ (32,387,359)	\$ -	\$ -	\$ (32,387,359)
BEGINNING BALANCE 9791,9793,9795	\$ 85,338,594			\$ 85,338,594
ENDING BALANCE	\$ 52,951,235	\$ -	\$ -	\$ 52,951,235
COMPONENTS OF ENDING BALANCE				
Nonspendable 9711-9719	\$ 650,000	\$ -	\$ -	\$ 650,000
Restricted 9740	\$ 8,090,935	\$ -	\$ -	8,090,935
Committed 9750-9760	\$ 16,544,750	\$ -	\$ -	16,544,750
Assigned 9780	\$ 3,953,800	\$ -	\$ -	3,953,800
Reserve for Economic Uncertainties 9789	\$ 8,180,943	\$ -	\$ (1)	8,180,942
Unassigned/Unappropriated 9790	\$ 15,530,807	\$ -	\$ -	\$ 15,530,807

*If the total adjustments in Col. 2 do not agree with the Total Cost of Agreement on page 1, Section A, Line 7, please explain the variance below (e.g. partially budgeted, salaries and benefits are budgeted in other funds), and/or explain any revisions included in Col. 3.

Col. 3. Reserve for Economic Uncertainties fluctuates with each budget revision as it is based on a minimum of 2% of Total Expenditures, Transfers Out and Other Uses. Adjustments to the Reserve for Economic Uncertainties are posted at 1st and 2nd Interims, Estimated, and Unaudited Financials.

Multi-Year Financial Projections 2012-13 to 2016-17

	Prior Year Actuals 2012-13	Prior Year Actuals 2013-14	Percent of Change over PY	Adopted Budget 2014-15	Percent of Change over PY	Revised Budget 2014-15	Percent of Change over PY	Projected Budget 2015-16	Percent of Change over PY	Projected Budget 2016-17	Percent of Change over PY
COLA Actual/Projection %	3.24%		-100.00%		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
P-2 ADA Actual/Projection	40,126.96	40,344.01	0.54%	40,575.50	0.57%	40,100.09	-0.60%	39,908.83	-0.48%	39,932.65	0.06%
Funded ADA Actual/Projection (excluding County and Charter)	40,144.72	40,333.76	0.47%	40,575.50	0.60%	40,333.76	0.00%	40,100.09	-0.58%	39,932.65	-0.42%
REVENUES											
State Aid	\$ 212,210,264	\$ 264,097,185	24.45%	\$ 222,152,643	-15.88%	\$ 301,198,550	14.05%	\$ 317,894,994	5.54%	\$ 336,439,771	5.83%
Federal	\$ 27,811,759	\$ 23,656,181	-14.94%	\$ 23,467,262	-0.80%	\$ 28,421,856	20.15%	\$ 23,099,128	-18.73%	\$ 23,099,128	0.00%
State	\$ 70,639,121	\$ 45,608,117	-35.44%	\$ 72,116,614	58.12%	\$ 41,482,468	-9.05%	\$ 41,386,607	-0.23%	\$ 41,386,607	0.00%
Local	\$ 8,840,776	\$ 8,064,252	-8.78%	\$ 3,663,301	-54.57%	\$ 5,556,895	-31.09%	\$ 5,353,635	-3.66%	\$ 5,353,635	0.00%
Total Revenues	\$ 319,501,919	\$ 341,425,735	6.86%	\$ 321,399,820	-5.87%	\$ 376,659,769	10.32%	\$ 387,734,364	2.94%	\$ 406,279,141	4.78%
EXPENDITURES											
Certificated Salaries	\$ 167,128,826	\$ 166,584,422	-0.33%	\$ 159,026,022	-4.54%	\$ 190,418,566	14.31%	\$ 199,447,575	4.74%	\$ 205,010,542	2.79%
Classified Salaries	\$ 46,342,138	\$ 47,962,492	3.50%	\$ 44,284,476	-7.67%	\$ 53,247,587	11.02%	\$ 53,448,126	0.38%	\$ 53,678,859	0.43%
Benefits	\$ 62,395,500	\$ 58,268,478	-6.61%	\$ 59,433,435	2.00%	\$ 68,644,180	17.81%	\$ 75,453,301	9.92%	\$ 81,423,906	7.91%
Books & Supplies	\$ 16,311,554	\$ 17,367,210	6.47%	\$ 16,038,227	-7.65%	\$ 32,037,780	84.47%	\$ 16,827,701	-47.48%	\$ 16,827,701	0.00%
Contracts & Services	\$ 38,065,817	\$ 36,515,307	-4.07%	\$ 38,978,095	6.74%	\$ 51,660,926	41.48%	\$ 42,312,321	-18.10%	\$ 42,312,321	0.00%
Capital Outlay	\$ 3,633,956	\$ 6,422,201	76.73%	\$ 3,254,912	-49.32%	\$ 10,447,713	62.68%	\$ 10,914,965	4.47%	\$ 9,414,965	-13.74%
Other Outgo	\$ 94,717	\$ 471,987	398.31%	\$ 70,000	-85.17%	\$ 70,000	-85.17%	\$ 70,000	0.00%	\$ 70,000	0.00%
Support Costs	\$ (914,776)	\$ (831,436)	-9.11%	\$ (1,008,641)	21.31%	\$ (819,239)	-1.47%	\$ (819,239)	0.00%	\$ (819,239)	0.00%
Total Expenditures	\$ 333,057,731	\$ 332,760,662	-0.09%	\$ 320,076,526	-3.81%	\$ 405,707,511	21.92%	\$ 397,654,748	-1.98%	\$ 407,919,054	2.58%
OTHER SOURCES & USES											
Transfers In & Other Sources	\$ 6,498,199	\$ 8,413,075	29.47%	\$ 1,100,000	-86.93%	\$ -	-100.00%	\$ -	#DIV/0!	\$ -	#DIV/0!
Transfers Out & Other Uses	\$ 2,530,880	\$ 13,801,554	445.33%	\$ 2,971,700	-78.47%	\$ 3,339,618	-75.80%	\$ 3,339,618	0.00%	\$ 3,339,618	0.00%
Total Expenditures & Uses	\$ 335,588,611	\$ 346,562,215	3.27%	\$ 323,048,226	-6.78%	\$ 409,047,129	18.03%	\$ 400,994,366	-1.97%	\$ 411,258,672	2.56%
NET INCREASE (DECREASE) IN FUND BALANCE	\$ (9,588,493)	\$ 3,276,594	-134.17%	\$ (548,406)	-116.74%	\$ (32,387,359)	-1088.45%	\$ (13,260,002)	-59.06%	\$ (4,979,531)	-62.45%
FUND BALANCE, RESERVES											
Beginning Balance	\$ 80,623,072	\$ 78,669,870	-2.42%	\$ 78,669,870	0.00%	\$ 85,338,594	8.48%	\$ 52,951,235	-37.95%	\$ 39,691,233	-25.04%
Ending Balance	\$ 71,034,578	\$ 81,946,464	15.36%	\$ 78,121,464	-4.67%	\$ 52,951,235	-35.38%	\$ 39,691,233	-25.04%	\$ 34,711,702	-12.55%
Components of Ending Fund Balance:											
Nonspendable	\$ 650,000	\$ 323,551		\$ 650,000		\$ 650,000		\$ 650,000		\$ 650,000	
Restricted	\$ 3,429,438	\$ 23,173,455		\$ 12,503,097		\$ 8,090,935		\$ 8,570,556		\$ 9,050,175	
Committed	\$ 0	\$ 26,709,934		\$ 0		\$ 16,544,750		\$ 12,063,127		\$ 5,825,000	
Assigned	\$ 28,863,895	\$ 4,419,800		\$ 13,578,992		\$ 3,953,800		\$ 3,953,800		\$ 3,953,800	
Reserve for Economic Uncertainties	\$ 6,441,848	\$ 6,931,245		\$ 6,460,965		\$ 8,180,942		\$ 8,019,888		\$ 8,225,174	
Unassigned/Unappropriated	\$ 48,873,182	\$ 20,388,478		\$ 44,928,410		\$ 15,530,807		\$ 6,433,857		\$ 7,007,542	
Total Ending Balance	\$ 88,258,363	\$ 81,946,464		\$ 78,121,464		\$ 52,951,234		\$ 39,691,228		\$ 34,711,691	
% Reserve (9789 and 9790)	16.48%	7.88%		15.91%		5.80%		3.60%		3.70%	

(H1) Multi-Year Financial Projection Assumptions

Riverside Unified School District
Combined General Fund

	7100-7299									Total	LCFF	Federal	State	Local	Other	Total
	1XXX	2XXX	3XXX	4XXX	5XXX	6XXX	7400-7499	7300-7399	7610-7629	Exp Change	80XX	81XX-82XX	83XX-85XX	86XX-87XX	89XX	Rev Change
2014-15 TOTALS	190,418,566	53,247,587	68,644,180	32,037,780	51,660,926	10,447,713	70,000	(819,239)	3,339,618	409,047,129	301,198,550	28,421,856	41,482,468	5,556,895	-	376,659,769
2015-16 Adjustments										-						-
LCFF Entitlement Factors	5,821,488	-	1,594,420	-	-	-	-	-	-	7,415,908	16,696,444	-	-	-	-	16,696,444
Growth (Decline)	(246,792)	-	(40,926)	-	-	-	-	-	-	(287,719)	-	-	-	-	-	-
Step/Column	2,075,726	229,312	266,557	-	-	-	-	-	-	2,571,595	-	-	-	-	-	-
Benefit Changes	-	-	963,650	-	-	-	-	-	-	963,650	-	-	-	-	-	-
Salary Increase	4,840,701	-	613,642	-	-	-	-	-	-	5,454,343	-	-	-	-	-	-
Reduce for One-Time Augmentations/Solut	(1,841)	(108)	(656)	(1,342,888)	(178,836)	(23,800)	-	-	-	(1,548,129)	-	-	-	-	-	-
Reduce for Carryover/Unearned Rev	(4,425,666)	(28,665)	(752,022)	(9,917,191)	(9,169,769)	(219,564)	-	-	-	(24,512,877)	-	(5,322,728)	(95,861)	(203,260)	-	(5,621,849)
Adj for Grants Ending/1-Time Funds or Eve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service (Fd 25 no longer supports)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities Projects Completed-Redevelopme	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grades 1-3 staffing from 27:1 to 26:1	965,394	-	160,094	-	-	1,065,924	-	-	-	2,191,412	-	-	-	-	-	-
Debt Service (Fd 25 no longer supports)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
STRS and PERS Impact	-	-	4,004,363	-	-	-	-	-	-	4,004,363	-	-	-	-	-	-
One Time LCAP Impacts	-	-	-	(3,950,000)	-	(355,308)	-	-	-	(4,305,308)	-	-	-	-	-	-
2015-16 TOTALS	199,447,575	53,448,126	75,453,301	16,827,701	42,312,321	10,914,965	70,000	(819,239)	3,339,618	400,994,366	317,894,994	23,099,128	41,386,607	5,353,635	-	387,734,364
2016-17 Adjustments										-						-
LCFF Entitlement Factors	2,323,968	-	636,501	-	-	-	-	-	-	2,960,469	18,544,777	-	-	-	-	18,544,777
Trigger Cuts: (\$441) * decline in ADA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Growth (Decline)	97,265	-	16,130	-	-	-	-	-	-	113,395	-	-	-	-	-	-
Step/Column	2,111,013	230,734	269,223	-	-	-	-	-	-	2,610,969	-	-	-	-	-	-
Benefit Changes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Salary Increase	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reduce for Carryover/Deferred Rev	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service (Fd 25 no longer supports)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adj for Grants Ending/1-Time Funds or	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grades 1-3 staffing from 26:1 to 25:1	1,030,721	-	170,927	-	-	-	-	-	-	1,201,648	-	-	-	-	-	-
STRS and PERS Impact	-	-	4,877,824	-	-	-	-	-	-	4,877,824	-	-	-	-	-	-
One Time LCAP Impacts	-	-	-	-	-	(1,500,000)	-	-	-	(1,500,000)	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016-17 TOTALS	205,010,542	53,678,859	81,423,906	16,827,701	42,312,321	9,414,965	70,000	(819,239)	3,339,618	411,258,672	336,439,771	23,099,128	41,386,607	5,353,635	-	406,279,141

(I) Impact of Proposed Agreement on Unrestricted Reserves**1. State Reserve Standard Calculation**

		Current Year	Year 2	Year 3
1a.	Total Expenditures, Transfers Out, and Uses (Including Cost of Proposed Agreement) for both Unrestricted and Restricted General Fund	\$ 409,047,129	\$ 400,994,366	\$ 411,258,672
1b.	Enter State Standard Minimum Reserve Percentage	2%	2%	2%
1c.	State Standard Minimum Unrestricted Fund Reserve (Line 1a times Line 1b. For a district with less than 1,001 ADA, the greater of Line 1a times 1b or \$60,000)	\$ 8,180,943	\$ 8,019,887	\$ 8,225,173

2. Budgeted Unrestricted Reserve (After Impact of Proposed Agreement)

2a.	General Fund Reserve for Economic Uncertainties (Object 9789)	\$ 8,180,942	\$ 8,019,888	\$ 8,225,174
2b.	General Fund Budgeted as Unassigned/ Unappropriated Amount (Object 9790)	\$ 15,530,807	\$ 6,433,857	\$ 7,007,542
2c.	Special Reserve Fund for Other Than Capital Outlay Projects Budgeted for Economic Uncertainties (Fund 17, Object 9789)	\$ -	\$ -	\$ -
2d.	Total District Budgeted Unrestricted Reserves	\$ 23,711,749	\$ 14,453,745	\$ 15,232,716
2e.	Reserve for Economic Uncertainties Percentage (Line 2d divided by Line 1a)	5.80%	3.60%	3.70%

3. Does the district's budgeted unrestricted reserves meet the state standard minimum reserve amount?
(Line 1c is less than or equal to Line 2d?)

Current Year:	2014 - 2015	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> no
Year 2:	2015 - 2016	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> no
Year 3:	2016-2017	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> no

4. If no, how does the district plan to restore reserves?

(J) Impact of Proposed Agreement on Current Year Operating Budget

Itemized Budget Revisions Necessary to Meet Agreement's Cost

Description of the Revision	Attached Fund Transfer/ Budget Resolution Numbers	Amount	County Use Only: Date Action Taken
Article IX, Section 9.3 – A recurring adjustment to the District's annual contribution toward a medical insurance plan for full-time and part-time eligible employees. Increase District annual contribution to the medical plan, raising cap from \$10,000 to \$10,700	34xx	\$ 308,525	
Article IX, Section 9.5 – Effective January 1, 2015 (the 2015 plan year and following), the District's annual contribution toward the District-sponsored medical plans for retirees will increase by \$24.73 per month (rounded) for Service Years 15-20, and cover the single party premium of the two least costly medical plans (excluding high deductible plans)	3xxx	\$ 15,591	
Article VII, Sections 8.2.2, 8.3, 8.3.1, 8.3.2, 8.3.3- Salary Reclass Tentative Agreement Dated November 17, 2014	No Fiscal Impact	\$ -	
Tentative Agreement Dated April 21, 2014, Maintenance and Operations Specialist I and II	No Fiscal Impact	\$ -	
Tentative Agreement Dated June 3, 2014, Mechanical Trades Maintenance Worker	No Fiscal Impact	\$ -	
Tentative Agreement Dated June 3, 2014, Maintenance and Operations Specialist I and II (series of eight job descriptions)	2xxx,3xxx	\$ 22,574	
Tentative Agreement Dated June 4, 2014, Article XIII (Leaves)	No Fiscal Impact	\$ -	
Tentative Agreement Dated September 26, 2014, Electrical and Building Automation Controls Technician (Range 31)	2xxx,3xxx	\$ 35,362	
Tentative Agreement Dated September 26, 2014, HVAC&R and Building Automation Controls Technician (Range 31)	2xxx,3xxx	\$ 42,435	
Tentative Agreement Dated September 26, 2014, Irrigation Worker (Range 23)	2xxx,3xxx	\$ 9,187	
		\$ -	
		\$ -	
TOTAL REVISIONS		\$ 433,674	

Please provide an explanation if no budget revisions are necessary.

(K) Impact of Proposed Agreement on Subsequent Fiscal Year Budgets

Itemized Budget Revisions Included in the Multi-Year Financial Projections to Meet Agreement's Cost

Year 2: 2015-2016

Description of the Revision	Major Object Code Series	Amount	County Use Only: Date Action Taken
Article IX, Section 9.3 – A recurring adjustment to the District’s annual contribution toward a medical insurance plan for full-time and part-time eligible employees. Increase District annual contribution to the medical plan, raising cap from \$10,000 to \$10,700	34xx	\$ 308,525	
Article IX, Section 9.5 – Effective January 1, 2015 (the 2015 plan year and following), the District’s annual contribution toward the District-sponsored medical plans for retirees will increase by \$24.73 per month (rounded) for Service Years 15-20, and cover the single party premium of the two least costly medical plans (excluding high deductible plans)	3xxx	\$ 15,591	
		\$ -	
		\$ -	
		\$ -	
		\$ -	
TOTAL YEAR 2		\$ 324,116	

Year 3: 2016 - 2017

Description of the Revision	Major Object Code Series	Amount	County Use Only: Date Action Taken
		\$ -	
		\$ -	
		\$ -	
TOTAL YEAR 3		\$ -	

Please provide an explanation if no budget revisions are necessary.

Year 2 increases the District annual contribution to the medical plan to \$10,700 for the 2015 plan year which will be ongoing; there is no revision needed for Year 3.

(L) Certification No. 1

Riverside Unified School District

The District Superintendent and Chief Business Official should sign this certification at the time of public disclosure.

In accordance with the requirements of Government Code Section 3547.5, the undersigned hereby certify that the costs incurred under the provisions of the agreement can be met by the district during the term of the agreement, and that the itemized budget revisions necessary to meet such costs, as indicated in sections J and K, are included in the district's budget and multi-year financial projections.

Signature - District Superintendent

December 8, 2014

Date

Signature - Chief Business Official

December 8, 2014

Date

District Contact Person: Dalia Gademawla-Business Services

Phone: 951-352-6729 x82401

Board Meeting Agenda
December 8, 2014

Topic: Resolution 2014/15-22 – Resolution of the Board of Education of the Riverside Unified School District Granting the Charter Petition for the Establishment of Encore High School for the Arts-Riverside

Presented by: Gloria Cowder, Director, Program Development and Extended Learning

Responsible
Cabinet Member: Antonio Garcia, Assistant Superintendent, Curriculum and Instruction, K-12

Type of Item: Action

Short Description: Petitioners for Encore High School for the Arts-Riverside submitted a Charter Petition for consideration by the Board. Approval of Resolution No. 2014/15- 22 grants the Charter Petition.

DESCRIPTION OF AGENDA ITEM:

The Charter Schools Act of 1992 provides for the establishment and operation of publicly-funded charter schools in the State of California. Petitioners for Encore High School for the Arts-Riverside submitted a charter petition on October 17, 2014.

The Board held a public hearing on the provisions of the Charter Petition on November 17, 2014, as required by law. The Board is required to either grant or deny the Charter Petition within 60 days of receipt, unless an extension is agreed upon by both parties.

In reviewing the Charter Petition, the Board is to be guided by the intent of the Legislature that charter schools are and should become an integral part of the California educational system and that establishment of charter schools should be encouraged (Ed. Code § 47605(b)). A governing board shall grant a charter if it is satisfied that granting the charter is consistent with sound educational practice. A governing board shall not deny a petition for the establishment of a charter school unless it makes written factual findings specific to the particular petition, setting forth specific facts to support one or more of the following: (1) The charter school presents an unsound educational program for the pupils to be enrolled in the charter school; (2) The petitioners are demonstrably unlikely to successfully implement the program set forth in the petition;

(3) The petition does not contain the number of signatures required; (4) The petition does not contain an affirmation of each of the conditions described in 47605(d); or (5) The petition does not contain reasonably comprehensive descriptions of 16 elements listed in Section 47605(b)(5).

Staff has completed a comprehensive review of the charter petition and finds that it meets the legal standard and criteria for establishment of a charter school. While staff has identified areas of operation that require further clarification, the petitioners have agreed to address those areas through a Memorandum of Understanding (MOU). Those areas include, but are not limited to, special education, student discipline, facilities, fiscal operations, and indemnification. Staff believes that the lack of clarification in certain areas does not rise to the level of warranting denial of the petition, but should be resolved prior to commencing operations. An MOU will be negotiated and will be brought before the Board for approval at least 60 days prior to the opening of Encore High School for the Arts-Riverside.

FISCAL IMPACT: Loss of Average Daily Attendance (ADA) for approximately 133 students in Year 1. Encore enrolled middle school student will result in loss of \$6,543 per student and high school students will result in a loss of \$6,735 per student in part offset by potentially lower staffing costs. The amount of loss revenue will vary from year to year depending on the charter ADA (Average Daily Attendance).

RECOMMENDATION: It is recommended that the Board of Education adopt Resolution No. 2014/15-22 Resolution of the Board of Education of the Riverside Unified School District Granting the Charter Petition for the Establishment of Encore High School for the Arts-Riverside.

ADDITIONAL MATERIAL: Resolution 2014/15-22 – Resolution of the Board of Education of the Riverside Unified School District Granting the Charter Petition for the Establishment of the Encore High School for the Arts-Riverside.

Attached: Yes

Resolution No. 2014/15-22

**RESOLUTION OF THE BOARD OF EDUCATION OF THE RIVERSIDE
UNIFIED SCHOOL DISTRICT GRANTING THE CHARTER PETITION FOR
THE ESTABLISHMENT OF ENCORE HIGH SCHOOL FOR THE
ARTS-RIVERSIDE**

WHEREAS, the Charter Schools Act of 1992, set forth at Education Code Section 47600 *et seq.* (the "Act"), provides for the establishment and operation of publicly-funded charter schools in the State of California; and

WHEREAS, pursuant to Section 47605 of the Act, a school district governing board may approve a petition for the operation of a charter school that operates at one or more sites within the geographical boundaries of the school district; and

WHEREAS, a school district governing board may only approve a charter petition if the board is satisfied that granting the charter is consistent with sound educational practice; and

WHEREAS, a school district governing board may deny a petition for the establishment of a charter school if the board makes one or more of the findings listed in Section 47605(b) and sets forth specific facts to support such findings; and

WHEREAS, October 17, 2014, petitioners ("Petitioners") for the proposed Encore High School for the Arts-Riverside ("Charter School") submitted a charter petition ("Charter Petition") to the Riverside Unified School District ("District") Board of Education ("Board") for the establishment of a new charter school operating within the boundaries of the District; and

WHEREAS, the Charter Petition was accompanied by petitions signed by teachers who affirmed that they are meaningfully interested in teaching at the proposed Charter School, and parents that affirmed that they are meaningfully interested in enrolling their children in the proposed Charter School; and

WHEREAS, Petitioners also submitted a proposed budget summary, budget narrative and proposed monthly cash flows relating to the proposed Charter School; and

WHEREAS, pursuant to Education Code Section 47605(b), the Board held a duly noticed public hearing on the provisions of the Charter Petition on November 17, 2014, at which time the Board provided Petitioners with an opportunity to make a presentation to the Board regarding the proposed Charter School, and answer questions posed by the Board, and at which time members of the public had an opportunity to comment on the proposed Charter Petition; and

WHEREAS, pursuant to Education Code Section 47605(b), the Board has considered the level of support for the Charter Petition by teachers and other employees of the District and by parents; and

WHEREAS, at its meeting of December 8, 2014, the Board further considered the terms of the Charter Petition, and whether to grant or deny the Charter Petition, and provided members of the public an opportunity to comment on the proposed Charter School; and

WHEREAS, at its meeting of December 8, 2014, the Board directed staff to negotiate a Memorandum of Understanding (“MOU”) between the proposed Charter School and the District to be approved at least 60 days prior to the opening of the Charter School that addresses outstanding concerns of District staff regarding the proposed operations of the Charter School as described in the Charter Petition.

NOW, THEREFORE, THE BOARD OF EDUCATION OF THE RIVERSIDE UNIFIED SCHOOL DISTRICT HEREBY FINDS AS FOLLOWS:

Section 1. The recitals above are true and correct.

Section 2. The staff report and comments presented to the Board by District staff at the meeting of December 8, 2014, regarding the Charter Petition are hereby incorporated by reference.

Section 3. Granting the Charter Petition is consistent with sound educational practice.

Section 4. Operational concerns will be adequately addressed in a MOU between the District and the Charter School.

NOW, THEREFORE, BE IT RESOLVED BY THE RIVERSIDE UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION as follows:

Section 1. That the Charter Petition is hereby granted for a period of five (5) years, commencing July 1, 2015.

Section 2. District staff is directed to negotiation the terms of the MOU. District staff is authorized to execute the MOU on behalf of the Board after the governing board of the Charter School, once constituted, approves the MOU.

Section 3. That the Charter School may not commence operations and instruction until the MOU is fully executed.

PASSED AND ADOPTED by the Board of Education this 8th day of December, 2014, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

President
Board of Education

Clerk
Board of Education

**Board Meeting Agenda
December 08, 2014**

Topic: Resolution No. 2014/15-20 – Resolution of the Board of Directors of the Riverside Unified School District Financing Authority Authorizing the Issuance of Revenue Bonds for the Purpose of Purchasing Bonds of Community Facilities Districts Nos. 10, 13 (Improvement Area No. 1), 14, 15 (Improvement Area No. 2), 17, 18, 21 (Improvement Area No. 2), 22 and 24 of Riverside Unified School District, Authorizing and Directing the Execution and Delivery of an Indenture of Trust, A Bond Purchase Contract, A Bond Purchase Agreement, and a Continuing Disclosure Agreement, Approving an Official Statement, and Authorizing Other Actions

Presented by: Michael Fine, Treasurer

Responsible
Cabinet Member: Michael Fine, Treasurer

Type of Item: Action

Short Description: The Board of Directors of the Riverside Unified School District Financing Authority will consider adopting Resolution No. 2014/15-20 authorizing the issuance of revenue bonds for the purpose of purchasing bonds of Community Facilities Districts Nos. 10, 13 (Improvement Area No. 1), 14, 15 (Improvement Area No. 2), 17, 18, 21 (Improvement Area No. 2), 22 and 24, and approving various related agreements, statements and other actions..

DESCRIPTION OF AGENDA ITEM:

The Board of Directors will consider the adoption of a resolution authorizing the issuance of revenue bonds (the “Authority Bonds”) for the purpose of purchasing from Riverside Unified School District (the “School District”) special tax refunding bonds of Community Facilities Districts (CFDs) Nos. 10, 13 (Improvement Area No. 1), 14, 15 (Improvement Area No. 2), 17, 18, 21 (Improvement Area No. 2), 22 and 24 (the “CFD Refunding Bonds”). The CFD Refunding Bonds are being sold to refund and redeem the outstanding bonds of these community facilities districts on March 1, 2015. The CFD Refunding Bonds will be sold at interest rates that are lower than the interest rates on the outstanding bonds that will be refunded. This will result in savings for property owners in the community facilities districts. It should be noted that the final list of CFDs to be refunded may change depending on levels of savings to be achieved.

The resolution approves 1) the issuance of the Authority Bonds for the purpose of purchasing the CFD Refunding Bonds, 2) a Bond Purchase Contract between the Authority and the School District whereby the Authority will agree to purchase the CFD Refunding Bonds, 3) a Bond Purchase Agreement between the Authority and Stifel Nicolaus, Incorporated (the “Underwriter”) whereby the Underwriter will agree to purchase the Authority Bonds, 4) an Indenture of Trust between the Authority and U.S. Bank National Association, as Trustee for the Authority Bonds, 5) a Continuing Disclosure Agreement between the Authority and U.S. Bank National Association, as Dissemination Agent, and 6) a Preliminary Official Statement with respect to the Authority Bonds and the CFD Refunding Bonds. The resolution authorizes the Treasurer and the Executive Director of the Authority to accomplish the issuance of the Authority Bonds.

The CFD Refunding Bonds will be held by the Trustee for the benefit of the Authority. Principal and interest payments on the CFD Refunding Bonds will be received by the Trustee and will be used by the Trustee to pay principal and interest on the Authority Bonds. The principal and interest payments on the CFD Refunding Bonds constitute the “Revenues” which are pledged to payment of interest on and principal of the Authority Bonds.

The resolution approves the issuance of the Authority Bonds subject to the following requirements: 1) the aggregate principal amount of the Authority Bonds shall not exceed \$55,000,000; 2) the amount of the Underwriter's discount for the purchase of the Authority Bonds shall be not more than one and one-half percent (1.50%), and 3) the true interest cost of the Authority Bonds shall not exceed five percent (5%).

This refunding transaction has been organized and is being carried out consistent with Riverside Unified School District Board of Education Policy #3470 – Debt Management. All of the attachments are in substantially final form but some revisions and data refinements will continue to be made ahead of final publication and use.

FISCAL IMPACT: None related to this specific agenda item.

RECOMMENDATION: It is recommended that the Board of Directors adopt Resolution No. 2014/15-20 – Resolution of the Board of Directors of the Riverside Unified School District Financing Authority Authorizing the Issuance of Revenue Bonds for the Purpose of Purchasing Bonds of Community Facilities Districts Nos. 10, 13 (Improvement Area No. 1), 14, 15 (Improvement Area No. 2), 17, 18, 21 (Improvement Area No. 2), 22 and 24 of Riverside Unified School District, Authorizing and Directing the Execution and Delivery of an Indenture of Trust, A Bond Purchase Contract, A Bond Purchase Agreement, and a Continuing Disclosure Agreement, Approving an Official Statement, and Authorizing Other Actions.

ADDITIONAL MATERIAL: 1) Resolution 2014/15-20, 2) Bond Purchase Contract, 3) Bond Purchase Agreement, 4) Indenture of Trust, and 5) Preliminary Official Statement with Continuing Disclosure Agreement

Attached: Yes

RESOLUTION NO. 2014/15-20

RESOLUTION OF THE BOARD OF DIRECTORS OF THE RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY AUTHORIZING THE ISSUANCE OF REVENUE BONDS FOR THE PURPOSE OF PURCHASING BONDS OF COMMUNITY FACILITIES DISTRICTS NOS. 10, 13 (IMPROVEMENT AREA NO. 1), 14, 15 (IMPROVEMENT AREA NO. 2), 17, 18, 21 (IMPROVEMENT AREA NO. 2), 22 AND 24 OF RIVERSIDE UNIFIED SCHOOL DISTRICT, AUTHORIZING AND DIRECTING THE EXECUTION AND DELIVERY OF AN INDENTURE OF TRUST, A BOND PURCHASE CONTRACT, A BOND PURCHASE AGREEMENT, AND A CONTINUING DISCLOSURE AGREEMENT, APPROVING AN OFFICIAL STATEMENT, AND AUTHORIZING OTHER ACTIONS

WHEREAS, the Riverside Unified School District Financing Authority (the “Authority”) is a joint powers authority duly organized and existing under and pursuant to that certain Joint Exercise of Powers Agreement dated as of November 1, 2011, by and between Riverside Unified School District (the “School District”) and Western Municipal Water District of Riverside County, and under the provisions of Articles 1 through 4 (commencing with Section 6500), Chapter 5, Division 7, Title 1 of the Government Code of the State of California; and

WHEREAS, the Authority is authorized by Section 6588 of the Government Code of the State of California to issue bonds for the purpose of purchasing bonds of the Districts (as hereinafter defined); and

WHEREAS, the Board of Directors of the Authority (the “Board”), in order to assist the School District in accomplishing the refunding of the outstanding bonds of Community Facilities District No. 10, Community Facilities District No. 13 (Improvement Area No. 1), Community Facilities District No. 14, Community Facilities District No. 15 (Improvement Area No. 2), Community Facilities District No. 17, Community Facilities District No. 18, Community Facilities District No. 21 (Improvement Area No. 2), Community Facilities District No. 22, and Community Facilities District No. 24 of the School District (the “Districts”), is considering the issuance and sale of its revenue bonds (the “Bonds”) for the purpose of purchasing the bonds of the Districts which the School District is issuing for the purpose of defeasing and redeeming outstanding bonds of the Districts (the “District Bonds”); and

WHEREAS, the School District has determined that the issuance and sale of the District Bonds to refund the outstanding bonds of the Districts will result in savings in effective interest rates on the outstanding bonds of the Districts to the benefit of the residents of the Districts; and

WHEREAS, the Treasurer of the Authority (the “Treasurer”) has advised the Board that in order to obtain a policy of municipal bond insurance guaranteeing payment of principal of and interest on the Bonds and thereby improve the rating for at least a portion of the

Bonds it may be necessary that the Bonds be issued in two series designated (i) “Riverside Unified School District Financing Authority Special Tax Revenue Refunding Bonds, 2015 Series A” (the “Bonds”); and

WHEREAS, there has been presented to the Board at the meeting at which this resolution is adopted a form of Bond Purchase Contract whereby the Authority will purchase the District Bonds from the School District; and

WHEREAS, there has also been presented to the Board a form of Indenture of Trust to be entered into between the Authority and U.S. Bank National Association, as Trustee (the “Trustee”), whereby the Trustee will authenticate and deliver the Bonds, act as registrar, paying agent and transfer agent for the Bonds, and administer certain funds and accounts established thereby; and

WHEREAS, there has also been presented to the Board a form of Bond Purchase Agreement whereby Stifel, Nicolaus & Company, Incorporated (the “Underwriter”) has offered to purchase the Bonds from the Authority and a form of Preliminary Official Statement relating to the Bonds; and

WHEREAS, there has also been presented to the Board of Directors a form of Disclosure Agent Agreement to be executed and delivered by the Authority and the Trustee, as disclosure dissemination agent (the “Continuing Disclosure Agreement”), for the benefit of the owners of the Bonds and in order to assist the Underwriter in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission; and

WHEREAS, the Board has considered such documents and a report from the Authority staff and has determined that it is in the best interests of the School District, the Districts and the owners of property within the Districts that the Bonds be issued and sold and that the Authority purchase the District Bonds from the School District with the proceeds from the sale of the Bonds;

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE BOARD OF DIRECTORS OF THE RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY AS FOLLOWS:

Section 1. Issuance of Bonds; Approval of Indenture. The Board authorizes the issuance of the Bonds in an aggregate principal amount which shall not exceed \$55,000,000. The Bonds shall be issued pursuant to an Indenture of Trust by and between the Authority and U.S. Bank National Association, as trustee (the “Indenture”). The Board approves the Indenture in the form presented to the Board at the meeting at which this resolution is adopted, and the Chairman, Vice-Chairman, Executive Director, and Finance Director (the “Authorized Officers”) are each individually authorized to sign the Indenture in the name of and on behalf of the Authority, together with any changes therein or additions thereto, which changes shall be conclusively approved by the execution and delivery of the Indenture.

Section 2. Appointment of Trustee. U.S. Bank National Association is appointed as Trustee under the Indenture, for the benefit of the Authority and the owners of the Bonds, with the duties and powers of such Trustee as are set forth in the Indenture.

Section 3. Approval of Purchase of District Bonds; Approval of School District Bond Purchase Contract. The Board authorizes and approves the purchase from the School District of the District Bonds with the proceeds from the sale of the Bonds pursuant to and in accordance with the provisions of the Bond Purchase Contract between the School District and the Authority (the “Bond Purchase Contract”). The Board approves the Bond Purchase Contract in the form presented to the Board at the meeting at which this resolution is adopted, and the Authorized Officers to execute and deliver the final form of the Bond Purchase Contract for and in the name and on behalf of the Authority, together with any changes therein or additions thereto, which changes shall be conclusively approved by the execution and delivery of the Bond Purchase Contract.

Notwithstanding the preceding provisions of this section or any other section of this resolution, if the Authorized Officers of the School District determine pursuant to authorization from the Board of Education of the School District that the District Bonds of any District cannot be issued because the requirements specified by the Board of Education in its resolution authorizing the issuance of the District Bonds cannot be satisfied with respect to the District Bonds of such District, the Authorized Officers are authorized and directed to provide for the modification of the Bond Purchase Contract so that the District Bonds of any such District will not be sold by the School District and purchased by the Authority.

Section 4. Sale of Bonds. The Board approves and authorizes the sale of the Bonds by negotiation with the Underwriter pursuant to the Bond Purchase Agreement between the Authority and the Underwriter, in the form presented to the Board at the meeting at which this resolution is adopted, and the Authorized Officers are each individually authorized to execute and deliver the final form of the Bond Purchase Agreement for and in the name and on behalf of the Authority upon the submission of an offer by the Underwriter to purchase the Bonds, which offer is consistent with the requirements of this resolution. The aggregate principal amount of the Bonds shall not exceed \$55,000,000. The Underwriter's discount for the purchase of the Bonds shall be not more than one and one-half percent (1.50%) of the aggregate principal amount of the Bonds and the true interest cost of the Bonds shall not exceed five percent (5%).

Section 5. Determination of Sufficiency of Revenues. The Bonds shall not, regardless of the authorizations given by other sections of this resolution, be sold and delivered unless the amounts which the Authority will receive from the School District as payments of interest on and principal of the District Bonds will be sufficient to pay the interest on and principal of the Bonds at all times until their final maturity; provided that in making such calculations the Underwriter shall assume that the annual installments of the special taxes levied on parcels of property in the Districts as security for the payment of the principal of and interest on the District Bonds which will be collected on the tax roll in each fiscal year will be paid in full in each fiscal year.

Section 6. Official Statement. The Board approves the preparation of and the form of the Preliminary Official Statement presented to the Board at the meeting at which this resolution is adopted, with such modifications thereof and additions thereto as the Treasurer or the Executive Director may deem appropriate. The Board authorizes the Authorized Officers each individually to certify to the Underwriter that the Preliminary Official Statement is deemed final for purposes of Rule 15c2-12 of the Securities and Exchange Commission under the

Securities Exchange Act of 1934, except for omissions which are permitted by such rule. The Board authorizes the Underwriter to distribute the Preliminary Official Statement to prospective purchasers of the Bonds. The Board authorizes the Authorized Officers to participate in the preparation of a final Official Statement based on the Preliminary Official Statement with such additions thereto or modifications thereof as they may deem appropriate. Authorized Officers are each authorized to execute and deliver the final Official Statement. The Board authorizes the distribution of the final Official Statement by the Underwriter.

Section 7. Rating and Insurance. The Authorized Officers are authorized to obtain a rating of the Bonds from a nationally recognized rating service and, if it is necessary in order to improve said rating, to obtain a policy of municipal bond insurance guaranteeing payment of principal and interest with respect to the Bonds and to pay the premium or fee therefor from the proceeds of the sale of the Bonds, if it is determined that obtaining such an improved rating will result in a lower total interest cost with respect to the Bonds.

Section 8. Approval of Continuing Disclosure Agreement. The Board approves the form of the Continuing Disclosure Agreement to be executed and delivered by the Authority and the Trustee, as dissemination agent, presented to the Board at the meeting at which this resolution is adopted. The Authorized Officers are authorized to execute and deliver the final form of the Continuing Disclosure Agreement.

Section 9. Conditions of Approval. The approvals, authorization and direction given by this resolution are conditioned upon the satisfaction of the requirements of this resolution with respect to the issuance and sale of the Bonds. The Authorized Officers shall not take any action with respect to the execution and delivery of the Indenture, the Continuing Disclosure Agreement, the Bond Purchase Contract, and the Bond Purchase Agreement or the issuance, sale and delivery of the Bonds unless and until such conditions are satisfied; provided, however, that upon satisfaction of such conditions, this resolution shall be fully effective and shall be carried out by such officers without further approval or action of the Board. The approvals, authorization and direction provided by this resolution shall continue, subject to the satisfaction of such conditions, until March 30, 2015, and the Bonds may be sold, and the Bonds, the Indenture, the Continuing Disclosure Agreement, the Bond Purchase Contract, the Bond Purchase Agreement, the Preliminary Official Statement and the final Official Statement may be dated, entered into, executed and delivered or distributed, as appropriate, on any date selected by the Treasurer or the Executive Director and the Underwriter prior to said date.

Section 10. Effective Date. This resolution shall take effect upon adoption and shall remain in effect until March 30, 2015, or if the Bonds are issued prior to said date, until all of the Bonds are paid at or redeemed prior to maturity.

ADOPTED this 8th day of December, 2014

Chairman

ATTEST:

Secretary

CERTIFICATION

I, Kathy Y. Allavie, Secretary of the Riverside Unified School District Financing Authority, certify that the foregoing resolution was adopted by the Board of Directors of the Riverside Unified School District Financing Authority at a special meeting held on the 8th day of December, 2014, by the following vote of the Directors:

AYES:

NOES:

ABSENT:

ABSTAINED:

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 2014.

Secretary of the Riverside Unified School
District Financing Authority

BOND PURCHASE CONTRACT

by and between

RIVERSIDE UNIFIED SCHOOL DISTRICT

and

RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY

Dated January 1, 2015

Relating to the Purchase of:

Special Tax Refunding Bonds
of Community Facilities Districts Nos.
[to come]
of Riverside Unified School District

BOND PURCHASE CONTRACT

THIS BOND PURCHASE CONTRACT (this “Purchase Contract”), dated January 1, 2015, is entered into by and between the RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY, a joint exercise of powers authority organized and existing under and by virtue of the laws of the State of California (the “Authority”), and RIVERSIDE UNIFIED SCHOOL DISTRICT, a public agency (the “School District”):

WITNESSETH:

WHEREAS, the Authority is a joint exercise of powers authority created pursuant to Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the Government Code of the State of California (the “Act”) for the purpose, among others, of providing financial assistance to the School District, pursuant to the Marks Roos Local Bond Pooling Act of 1985, being Article 4 of the Act (commencing with Section 6584) (the “Bond Law”); and

WHEREAS, pursuant to the Bond Law the Authority is authorized to purchase, with the proceeds of its bonds, bonds issued by the School District or any other local agency at public or private sale; and

WHEREAS, the Board of Education of the School District has determined that it is in the best interests of the owners of property within Community Facilities District No. 10 of Riverside Unified School District, Community Facilities District No. 13 (Improvement Area No. 1) of Riverside Unified School District, Community Facilities District No. 14 of Riverside Unified School District, Community Facilities District No. 15 (Improvement Area No. 2) of Riverside Unified School District, Community Facilities District No. 17 of Riverside Unified School District, Community Facilities District No. 18 of Riverside Unified School District, Community Facilities District No. 21 (Improvement Area No. 2) of Riverside Unified School District, Community Facilities District No. 22 of Riverside Unified School District and Community Facilities District No. 24 of Riverside Unified School District, (the “Districts”) that the outstanding bonds of the Districts be refunded and redeemed; and

WHEREAS, in order to accomplish the refunding and redemption of such bonds the Board of Education of the School District has authorized the issuance and sale of bonds of the Districts designated “Special Tax Refunding Bonds” (the “District Bonds”); and

WHEREAS, the Board of Education of the Authority has determined that it is in the best interests of the School District and the owners of property within the Districts that the Authority purchase the District Bonds with the proceeds of the issuance and sale of the Authority’s \$ _____ Riverside Unified School District Financing Authority 2015 Special Tax Revenue Refunding Bonds (the “Authority Bonds”), which will be issued pursuant to an Indenture of Trust, dated as of January 1, 2015 (the “Indenture”), between the Authority and U.S. Bank National Association, as trustee (the “Trustee”); and

WHEREAS, the Authority and the School District have determined to enter into this Purchase Contract providing for the purchase and sale of the District Bonds and containing the other agreements herein set forth.

NOW, THEREFORE, in consideration of the mutual agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Authority and the School District agree as follows:

1. Purchase. Upon the terms and conditions and upon the basis of the representations, warranties and agreements hereinafter set forth, the School District hereby agrees to sell to the Authority, and the Authority hereby agrees to purchase from the School District, all of the District Bonds. The purchase prices to be paid by the Authority for the District Bonds shall be the amounts specified in Exhibit A attached hereto. The District Bonds shall mature on the dates and bear interest at the rates and be subject to mandatory sinking fund redemption as set forth in Exhibit A attached hereto. The Authority shall not pay any accrued interest on the District Bonds.

2. Closing Date. The Authority hereby specifies January ____, 2015, as the Closing Date, and the School District hereby confirms that it reasonably expects to deliver the District Bonds to the Authority on such date.

3. District Bonds. The District Bonds shall be issued and secured under resolutions adopted by the Board of Education of the School District on December 8, 2014 (the "School District Resolution"), and the Fiscal Agent Agreements with respect to the District Bonds to be dated as of January 1, 2015 (the "Fiscal Agent Agreements") and entered into by the School District and U.S. Bank National Association, as fiscal agent (the "Fiscal Agent"), authorizing and providing for the issuance of the District Bonds. Interest on the District Bonds will be payable from January ____, 2015. Proceeds of the sale of the District Bonds will be used by the School District in accordance with the School District Resolutions and the Fiscal Agent Agreements.

4. Authority Action. Any action under this Purchase Contract taken by the Authority, including payment for and acceptance of the District Bonds, and delivery and execution of any receipt for the District Bonds and any other instruments in connection with the closing on the Closing Date, shall be valid and sufficient for all purposes and binding upon the Authority; provided that any such action shall not impose any obligation or liability upon the Authority other than as may arise as expressly set forth in this Purchase Contract.

5. Conditions of Sale. It is a condition to the School District's sale of the District Bonds and the obligation of the School District to deliver the District Bonds to the Authority, and to the Authority's purchase of the District Bonds and the obligations of the Authority to accept delivery of and to pay for the District Bonds, that the entire aggregate principal amount of the District Bonds authorized by the School District Resolutions and the Fiscal Agent Agreements shall be delivered by the School District to the Authority, and accepted and paid for by the Authority, on the Closing Date. The Authority will pay the purchase price for the District Bonds with a portion of the proceeds of the Authority Bonds.

6. School District Representations and Warranties. The School District represents and warrants to the Authority that:

(a) the School District is a local public agency, and the Districts are community facilities districts, duly organized and existing under the Constitution and the laws of the State of California, and the School District has, and on the Closing Date will have, full legal right, power and authority (i) to enter into this Purchase Contract, (ii) to adopt, conduct or enter into, as applicable, the School District Resolutions, the proceedings relating to the issuance of the District Bonds (the “School District Proceedings”) and the Fiscal Agent Agreements, (iii) to issue, sell and deliver the District Bonds to the Authority as provided herein and in the School District Resolutions and the Fiscal Agent Agreements, and (iv) to carry out and consummate the transactions on its part contemplated by this Purchase Contract, the School District Proceedings, the School District Resolutions, and the Fiscal Agent Agreements;

(b) the School District has complied, and will on the Closing Date be in compliance in all respects, with the School District Proceedings, the School District Resolutions and the Fiscal Agent Agreements;

(c) by official action of the Board of Education of the School District prior to or concurrently with the acceptance hereof, the Board of Education has duly adopted the School District Resolutions, has duly authorized and approved the execution and delivery of, and the performance by the School District of the obligations contained in, the School District Resolutions, the Fiscal Agent Agreements, the District Bonds, this Purchase Contract, and the School District Proceedings, and the consummation by it of all other transactions contemplated by the School District Resolutions, the School District Proceedings and the Fiscal Agent Agreements, including, without limitation, the application of annual installments of the special taxes which are to be levied within the Districts to be the source of and security for the payment of the principal of and interest on the District Bonds (the “Special Taxes”);

(d) the adoption of the School District Resolutions, the execution and delivery of this Purchase Contract, the Fiscal Agent Agreements and the District Bonds and the conduct of the School District Proceedings, and compliance with the provisions of each thereof, will not conflict with or constitute a breach of or a default under any applicable law or administrative regulation of the State of California or the United States of America, or any applicable judgment, decree, agreement or other instrument to which the School District or any of the Districts is a party or is otherwise subject;

(e) there is no action, suit, proceeding or investigation before or by any court, public board or body pending or, to the knowledge of the School District, threatened, wherein an unfavorable decision, ruling or finding would: (i) affect the creation, organization, existence or powers of the School District or the Districts or the titles of the Board of Education and the officers of the School District or the Districts to their respective offices, (ii) enjoin or restrain the issuance, sale and delivery of the District Bonds, the receipt of the Special Taxes, or the pledge thereof, (iii) in any way question or affect any of the rights, powers, duties or obligations of the School District or the Districts with respect to the moneys pledged or to be pledged to pay the principal of, premium, if any, or interest on the District Bonds, (iv) in any way question or affect any authority for the issuance of the District Bonds, or the validity or enforceability of the

District Bonds, the School District Resolutions, the Fiscal Agent Agreements or the School District Proceedings, or (v) in any way question or affect this Purchase Contract or the transactions contemplated by this Purchase Contract, the School District Resolutions, the Fiscal Agent Agreements or any other agreement or instrument to which the School District or any of the Districts is a party relating to the District Bonds;

(f) the School District has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the School District is a bond issuer whose arbitrage certifications may not be relied upon; and

(g) the School District will apply the proceeds of the District Bonds, including the investment thereof, in accordance with the School District Resolutions and the Fiscal Agent Agreements.

7. Delivery and Payment. At 8:00 a.m., P.S.T., on the Closing Date, or at such other time or on such other date as is mutually agreed by the School District and the Authority, the School District will deliver the District Bonds to the Authority in definitive form, duly executed, together with the other documents hereinafter mentioned, and, subject to the terms and conditions hereof, the Authority will accept such delivery and pay the purchase prices for the District Bonds as referenced in paragraph 1 hereof by wire transfer or other funds which are good funds and immediately available on the Closing Date payable to the Fiscal Agent under the Fiscal Agent Agreements for deposit as provided in the Fiscal Agent Agreements. Delivery and payment, as aforesaid, shall be made at such place as shall have been mutually agreed upon by the School District and the Authority.

8. Closing Documents. The Authority has entered into this Purchase Contract in reliance upon the representations, warranties and agreements of the School District contained herein and to be contained in the documents and instruments to be delivered on the Closing Date, and upon the performance by the School District of its obligations hereunder, both as of the date hereof and as of the Closing Date. Accordingly, the Authority's obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the District Bonds shall be subject to the performance by the School District of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing Date, and shall also be subject to the purchase of the Authority Bonds by Stifel, Nicolaus & Company, Incorporated (the "Underwriter") on the Closing Date, and the following conditions:

(a) On or prior to the Closing Date, the Authority shall have received each of the following documents:

(1) an opinion, dated as of the Closing Date, of bond counsel to the School District approving the validity of the District Bonds;

(2) a supplemental opinion, dated the Closing Date and addressed to the Authority, of bond counsel to the School District to the effect that (i) this Purchase Contract has been duly authorized, executed and delivered by the School District, on behalf of the District, and, assuming due authorization, execution and delivery by the Authority, constitutes a legal, valid and binding agreement of the

School District enforceable in accordance with its terms, except as such enforceability may be limited by the application of equitable principles if equitable remedies are sought; and (ii) the District Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Fiscal Agent Agreements are exempt from qualification under the Trust Indenture Act of 1939, as amended; and

(3) such additional legal opinions, certificates, instruments and documents as are required of the School District under the bond purchase agreement for the Authority Bonds, by and among the Authority, the Underwriter and the School District.

(b) In addition to the foregoing, the School District shall on the Closing Date provide to the Authority copies of the School District Proceedings, the School District Resolutions and the Fiscal Agent Agreements, certified by an authorized officer of the School District as true copies and as having been adopted or executed (as applicable), with only such amendments, modifications or supplements thereto as may have been agreed to by the Authority.

All of the opinions, certificates, instruments and other documents mentioned above or elsewhere in this Purchase Contract shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Treasurer of the Authority, provided that such approval of the Treasurer shall not be unreasonably withheld. Receipt of, and payment for, the District Bonds shall constitute evidence that the form and content of all such opinions, certificates, instruments and other documents are satisfactory to the Authority. The performance of any and all obligations of the School District hereunder and the performance of any and all conditions contained herein for the benefit of the Authority may be waived by the Treasurer of the Authority in his sole discretion.

If the School District shall be unable to satisfy the conditions to the obligations of the Authority to purchase, accept delivery of and pay for the District Bonds contained in this Purchase Contract, or if the obligations of the Authority to purchase, accept delivery of and pay for the District Bonds shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate, and neither the Authority nor the School District shall be under further obligation hereunder, except that the respective obligations of the School District and the Authority set forth in paragraph 10 hereof shall continue in full force and effect.

9. Compliance with Bond Law. The Authority and the School District hereby confirm that the purchase of the District Bonds by the Authority hereunder will not violate any of the restrictions set forth in Section 6591(g) or Section 6592.5 of the Bond Law.

10. General. This Purchase Contract is made solely for the benefit of the School District and the Authority (including their successors and assigns), and no other person shall acquire or have any right hereunder or by virtue hereof. All of the School District's representations, warranties and agreements contained in this Purchase Contract shall remain operative and in full force and effect regardless of (i) any investigations made by or on behalf of the Authority or (ii) delivery of and payment for the District Bonds pursuant to this Purchase

Contract. The agreements contained in this paragraph shall survive any termination of this Purchase Contract.

11. Counterparts. This Purchase Contract may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

12. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof.

IN WITNESS WHEREOF, the Authority and the School District have each caused this Purchase Contract to be executed by their duly authorized officers all as of the date first above written.

RIVERSIDE UNIFIED SCHOOL DISTRICT

By: _____
Authorized Signatory

RIVERSIDE UNIFIED SCHOOL DISTRICT
FINANCING AUTHORITY

By: _____
Authorized Signatory

EXHIBIT A

<u>Issue of District Bonds</u>	<u>Purchase Price</u>
District Bonds of Community Facilities District No. 10	\$ _____
District Bonds of Community Facilities District No. 13 (Improvement Area No. 1)	_____
District Bonds of Community Facilities District No. 14	_____
District Bonds of Community Facilities District No. 15 (Improvement Area No. 2)	_____
District Bonds of Community Facilities District No. 17	_____
District Bonds of Community Facilities District No. 18	_____
District Bonds of Community Facilities District No. 21 (Improvement Area No. 2)	_____
District Bonds of Community Facilities District No. 22	_____
District Bonds of Community Facilities District No. 24	_____
Total Purchase Price:	\$ _____

INDENTURE OF TRUST

by and between

RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY

and

U.S. BANK NATIONAL ASSOCIATION

as Trustee

Dated as of January 1, 2015

Relating to:

\$ _____
Riverside Unified School District Financing Authority
2015 Special Tax Revenue Refunding Bonds

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INDENTURE OF TRUST

THIS INDENTURE OF TRUST (this “Indenture”), entered into and dated as of January 1, 2015, is by and between the RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY, a joint exercise of powers authority organized and existing under the laws of the State of California (the “Authority”) and U.S. BANK NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America with a corporate trust office in Los Angeles, California, and being qualified to accept and administer the trusts hereby created (the “Trustee”);

WITNESSETH:

WHEREAS, the Authority is a joint exercise of powers authority duly organized and existing under and pursuant to that certain Joint Exercise of Powers Agreement dated as of November 1, 2011, by and between Riverside Unified School District (the “School District”) and Western Municipal Water District, and under the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the “Act”), and is authorized pursuant to Article 4 of the Act (the “Bond Law”) to issue bonds for the purpose of purchasing bonds, notes and other obligations of the School District to assist the School District in financing public capital improvements of the School District and/or the refunding of outstanding obligations of the School District; and

WHEREAS, the Authority has determined to issue its Riverside Unified School District Financing Authority 2015 Special Tax Revenue Refunding Bonds in the aggregate principal amount of \$ _____ (the “Bonds”) for the purpose of providing funds to purchase bonds of Community Facilities District No. [CFD Bonds to come] (“the Districts”) issued by the Districts for the purposes of providing moneys to refund the outstanding bonds of the Districts; and

WHEREAS, in order to provide for the authentication and delivery of the Bonds, to establish and declare the terms and conditions upon which the Bonds are to be issued and to secure the payment of the principal thereof and interest thereon, the Authority has authorized the execution and delivery of this Indenture; and

WHEREAS, the Authority has determined that all acts and proceedings required by law and necessary to make the Bonds, when executed by the Authority, authenticated and delivered by the Trustee and duly issued, the valid, binding and legal special obligations of the Authority, and to constitute this Indenture a valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of this Indenture have been in all respects duly authorized;

NOW THEREFORE, THIS INDENTURE WITNESSETH, that in order to secure the payment of the principal of and the interest and premium (if any) on all Bonds at any time Outstanding under this Indenture, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds are to be issued and delivered, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the Owners thereof, and for other valuable consideration, the

receipt and sufficiency of which is hereby acknowledged, the Authority does hereby covenant and agree with the Trustee, for the benefit of the respective Owners from time to time of the Bonds, as follows:

ARTICLE I

DEFINITIONS; AUTHORIZATION AND PURPOSE OF BONDS; SECURITY

Section 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Section shall for all purposes of this Indenture and of any Supplemental Indenture and of the Bonds and of any certificate, opinion, request or other documents herein mentioned have the meanings herein specified.

“Act” means Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the Government Code of the State, as in existence on the Closing Date or as thereafter amended from time to time.

“Administrative Expenses” means Administrative Expenses as defined in the Fiscal Agent Agreements.

“Authority” means the Riverside Unified School District Financing Authority, a joint exercise of powers authority duly organized and existing under the laws of the State.

“Board” means the Board of Directors of the Authority.

“Bond Counsel” means (a) Best Best & Krieger LLP, or (b) any other attorney or firm of attorneys appointed by or acceptable to the Authority of nationally-recognized experience in the issuance of obligations the interest on which is excludable from gross income for federal income tax purposes under the Tax Code.

“Bond Law” means the Marks-Roos Local Bond Pooling Act of 1985, constituting Article 4 of the Act (commencing with Section 6584), as in existence on the Closing Date or as thereafter amended from time to time.

“Bond Year” means each twelve-month period extending from September 2 in one calendar year to September 1 of the succeeding calendar year, both dates inclusive, except that the first Bond Year shall begin on the Closing Date and end on September 1, 2015.

“Bonds” means, unless otherwise expressly provided, the Riverside Unified School District Financing Authority 2015 Special Tax Revenue Refunding Bonds, authorized by and at any time Outstanding pursuant to the Bond Law and this Indenture.

“Business Day” means a day of the year, other than a Saturday or Sunday, on which banks in the city in which the Trust Office of the Trustee is located are not required or authorized to remain closed.

“Calculation Date” means: (1) September 2 of any Bond Year prior to the final maturity date of any District Bond; and (2) any date after the redemption of Bonds pursuant to Section 2.02(a) or (b).

“Certificate of the Authority” means a certificate in writing signed by the Chairman, Vice Chairman, Executive Director, Secretary or Treasurer of the Authority, or by any other officer of the Authority duly authorized by the Board for that purpose.

“Closing Date” means January ___, 2015, being the date of delivery of the Bonds to the original purchasers thereof.

“Continuing Disclosure Agreement” means the Continuing Disclosure Agreement executed by the School District and the Trustee, as Dissemination Agent, and dated as of the Closing Date, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“Costs of Issuance” means items of expense payable or reimbursable directly or indirectly by the Authority and/or the School District and related to the authorization, sale and issuance of the Bonds and/or the District Bonds, which items of expense shall include, but not be limited to, printing costs, costs of reproducing and binding documents, including but not limited to the preliminary official statement and official statement regarding the Authority Bonds and the District Bonds, closing costs, filing and recording fees, initial fees and charges of the Trustee (and the Fiscal Agent) including its first annual administration fee and the fees of its counsel, expenses incurred by the Authority and the School District in connection with the issuance of the Bonds and/or the District Bonds, underwriter’s discount relating to the Bonds and/or the District Bonds, legal fees and charges, including the fees of Bond Counsel and, financial advisor’s fees, premium for insurance and a Reserve Fund Surety, rating agency fees, charges for authentication, transportation and safekeeping of the Bonds and/or the District Bonds and other costs, charges and fees in connection with the foregoing.

“Costs of Issuance Fund” means the fund by that name established pursuant to Section 4.09.

“Debt Service” means the amount of interest and principal payable on the Bonds scheduled to be paid during the period of computation, excluding amounts payable during such period which relate to principal of the Bonds which are scheduled to be retired and paid before the beginning of such period.

“Defeasance Obligations” means:

- (1) Cash,
- (2) Direct non-callable obligations of the United States of America,
- (3) Obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America,

(4) Obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America,

(5) evidences of ownership of proportionate interests in future interest and principal payments on obligations described above held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying government obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated, or

(6) Pre-refunded municipal obligations described in (a) of Permitted Investments hereof.

“Developed Property” means a parcel of property for which building permits have been issued which allow residential dwelling units or non-residential buildings to be constructed.

“District” means any of Community Facilities District No. [to come]. “Districts” means all of such districts, collectively.

“District Bonds” means the outstanding bonds of any District.

“District Bonds Purchase Fund” means the fund by that name established and held by the Trustee pursuant to Section 3.03.

“Event of Default” means any of the events described in Section 8.01.

“Excess Investment Earnings” means the amount of excess investment earnings determined to be subject to rebate to the United States with respect to the investment of the gross proceeds of the Bonds, determined pursuant to Section 148(f) of the Tax Code.

“Final Maturity Date” means the date when the final payment of principal of the District Bonds of any District is due.

“Fiscal Agent” means U.S. Bank National Association, as Fiscal Agent under the Fiscal Agent Agreements.

“Fiscal Agent Agreements” means the Fiscal Agent Agreements entered into by the School District and the Fiscal Agent providing for the issuance and sale of the District Bonds that are issued and delivered as provided in Section 3.01 of each of the Fiscal Agent Agreements which will be entered into by the School District and the Fiscal Agent providing for the issuance of the District Bonds.

“Fiscal Year” means any twelve-month period extending from July 1 in a calendar year to June 30 of the succeeding calendar year, both dates inclusive, or any other twelve-month period selected and designated by the Authority as its official fiscal year.

[“Fitch” means Fitch Ratings, a national rating service with offices in New York, New York.]

“Indenture” means this Indenture of Trust, as originally executed or as it may from time to time be supplemented, modified or amended by any Supplemental Indenture pursuant to the provisions hereof.

“Independent Accountant” means any certified public accountant or firm of certified accountants appointed and paid by the School District, and who, or each of whom (a) is in fact independent and not under domination of the Authority or the School District; (b) does not have any substantial interest, direct or indirect, in the Authority or the School District; and (c) is not connected with the Authority or the School District as an officer or employee of the Authority or the School District but who may be regularly retained to make annual or other audits of the books of or reports to the Authority or the School District.

“Information Services” means the Electronic Municipal Market Access System of the Municipal Securities Rulemaking Board; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other services providing information with respect to called bonds as the Authority may designate in a Certificate of the Authority delivered to the Trustee.

“Insurer” means [to come].

“Interest Account” means the account by that name established and held by the Trustee pursuant to Section 4.02(a).

“Interest Payment Date” means March 1 and September 1 in each year, beginning September 1, 2015, and continuing thereafter so long as any Bonds remain Outstanding.

“Investment Earnings” means all interest earned and any gains and losses from the investment of moneys in any fund or account created by this Indenture excluding Excess Investment Earnings.

“Maximum Annual Debt Service” means the amount determined by the Authority to be the greatest amount for any Bond Year of the sum of (i) the interest due on the Outstanding Bonds in such Bond Year, assuming that the Outstanding Bonds are retired as scheduled, and (ii) the principal amount of the Outstanding Bonds scheduled to be paid in such Bond Year.

“Moody’s” means Moody’s Investors Service, Inc., a national rating service with offices in New York, New York.

“Outstanding” when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 9.07) all Bonds theretofore executed, issued and delivered by the Authority under this Indenture except (a) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation, (b) Bonds paid or deemed to have been paid within the meaning of Section 9.03, and (c) Bonds in lieu of or in substitution for which other Bonds shall have been executed, issued and delivered pursuant to this Indenture or any Supplemental Indenture.

“Owner” or “Bond Owner,” when used with respect to any Bond, means the person in name the ownership of such Bond shall be registered on the Registration Books.

“Parity Bonds” means any bonds of the Authority which are issued on a parity with any Outstanding Bonds for the purpose of defeasing and refunding all or a portion of the Bonds pursuant to Section 9.03.

“Permitted Investments” means any of the following which at the time of investment are legal investments under the laws of the State of California for the money proposed to be invested therein:

- (1) Any Defeasance Obligation.
- (2) Federal Housing Administration debentures.
- (3) Direct obligations of the following federal agencies which are not fully guaranteed by the faith and credit of the United States of America:
 - (a) Federal Home Loan Mortgage Corporation (“FHLMCs”) – participation certificates (excluding stripped mortgage securities which are purchased at prices exceeding their principal amounts) and senior debt obligations.
 - (b) Farm Credit Banks (formerly: Federal Land Banks, Federal Intermediate Credit Banks and Banks for Cooperatives) – consolidated system-wide bonds and notes.
 - (c) Federal Home Loan Banks – consolidated debt obligations.
 - (d) Federal National Mortgage Association (“FNMA”) – senior debt obligations and mortgage backed securities (excluding stripped mortgage securities which are purchased at prices exceeding their principal amounts).
 - (e) Financing Corporation (FICO) – debt obligations.
 - (f) Resolution Funding Corporation – debt obligations.
- (4) Unsecured certificates of deposit, time deposits, and bankers’ acceptances (having maturities of not more than 30 days) of any bank the short-term obligations of which are rated “A-1” or better by S&P.
- (5) Deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), in banks which have capital and surplus of at least \$5 million.
- (6) Commercial paper (having original maturities of not more than 30 days) rated “A-1” by S&P and “Prime-1” by Moody’s.

(7) Money market funds rated in the highest rating category by S&P and Moody's, including funds for which the Trustee, its parent holding company, if any, or any affiliates or subsidiaries of the Trustee provide investment advisory or other management services.

(8) "State Obligations," which means:

(a) Direct general obligations of any state of the United States of America or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated "A3" by Moody's or "A" by S&P, or better, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated.

(b) Direct general short-term obligations of any state agency or subdivision or agency thereof described in (a) above and rated "A-1+" by S&P and "MIG-1" by Moody's.

(c) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in (a) above and rated "A" or better by S&P or "A" or better by Moody's.

(9) Pre-refunded municipal obligations rated "AAA" by S&P or "Aaa" by Moody's meeting the following requirements:

(a) the municipal obligations are (1) not subject to redemption prior to maturity or (2) the trustee for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions;

(b) the municipal obligations are secured by cash or United States Treasury Obligations (as defined in paragraph (1) of the definition of Defeasance Obligations) which may be applied only to payment of the principal of, interest and premium on such municipal obligations;

(c) the principal of and interest on the United States Treasury Obligations (plus any cash in the escrow) has been verified by the report of independent certified public accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on the municipal obligations ("Verification");

(d) the cash or United States Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligations;

(e) no substitution of a United States Treasury Obligation shall be permitted except with another United States Treasury Obligation and upon delivery of a new Verification; and

(f) the cash or United States Treasury Obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent.

(10) Repurchase agreements with (1) any domestic bank, or domestic branch of a foreign bank, the long term debt of which is rated at least “AA” by S&P or Moody’s; or (2) any broker-dealer with “retail customers” or a related affiliate thereof which broker-dealer has, or the parent company (which guarantees the provider) of which has, long-term debt rated at least “AA” by S&P or Moody’s, which broker-dealer falls under the jurisdiction of the Securities Investors Protection Corporation; or (3) any other entity rated “AA” or better by S&P or Moody’s, provided that:

(a) The market value of the collateral is maintained at levels and upon such conditions as would be acceptable to S&P or Moody’s to maintain an “A” rating in an “A” rated structured financing (with a market value approach);

(b) The Trustee or a third party acting solely as agent therefor or for the Authority (the “Holder of the Collateral”) has possession of the collateral or the collateral has been transferred to the Holder of the Collateral in accordance with applicable state and federal laws (other than by means of entries on the transferor’s books);

(c) The repurchase agreement shall state and an opinion of counsel shall be rendered at the time such collateral is delivered that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

(d) All other requirements of S&P and Moody’s in respect of repurchase agreements shall be met.

(e) The repurchase agreement shall provide that if during its term the provider’s rating by either Moody’s or S&P is withdrawn or suspended or falls below “A-” by S&P or “A3” by Moody’s, as appropriate, the provider must, at the direction of the Authority or the Trustee, within 10 days of receipt of such direction, repurchase all collateral and terminate the agreement, with no penalty or premium to the Authority or Trustee.

Notwithstanding the above, if a repurchase agreement has a term of 270 days or less (with no evergreen provision), collateral levels need not be as specified in (a) above, so long as such collateral levels are 103% or better and the provider is rated at least “A” by S&P and Moody’s, respectively.

(11) Investment agreements with a domestic or foreign bank or corporation (other than a life or property casualty insurance company) the long-term debt of which, or, in the

case of a guaranteed corporation the long-term debt is rated at least “AA (stable)” by S&P or “Aa (stable)” by Moody’s, or, in the case of a monoline financial guaranty insurance company, claims paying ability of the guarantor is rated at least “AA- (stable)” by S&P or “Aa3 (stable)” by Moody’s; provided that, by the terms of the investment agreement:

(a) interest payments are to be made to the Trustee at times and in amounts as necessary to pay debt service on the Bonds;

(b) the invested funds are available for withdrawal without penalty or premium, at any time upon not more than seven days’ prior notice; the Authority and the Trustee hereby agree to give or cause to be given notice in accordance with the terms of the investment agreement so as to receive funds thereunder with no penalty or premium paid;

(c) the investment agreement shall state that is the unconditional and general obligation of, and is not subordinated to any other obligation of, the provider thereof or, if the provider is a bank, the agreement or the opinion of counsel shall state that the obligation of the provider to make payments thereunder ranks pari passu with the obligations of the provider to its other depositors and its other unsecured and unsubordinated creditors;

(d) the Authority or the Trustee receives the opinion of domestic counsel that such investment agreement is legal, valid, binding and enforceable upon the provider in accordance with its terms and of foreign counsel (if applicable);

(e) the investment agreement shall provide that if during its term

(i) the provider’s rating by either S&P or Moody’s falls below “AA-” or “Aa3,” respectively, the provider shall, at its option, within 10 days of receipt of publication of such downgrade, either (i) collateralize the investment agreement by delivering or transferring in accordance with applicable state and federal laws (other than by means of entries on the provider’s books) to the Authority, the Trustee or a third party acting solely as agent therefor (the “Holder of the Collateral”) collateral free and clear of any third-party liens or claims the market value of which collateral is maintained at levels and upon such conditions as would be acceptable to S & P and Moody’s to maintain an “A” rating in an “A” rated structured financing (with a market value approach); or (ii) repay the principal of and accrued but unpaid interest on the investment, and

(ii) the provider’s rating by either S&P or Moody’s is withdrawn or suspended or falls below “A-” or “A3,” respectively, the provider must, at the direction of the Authority or the Trustee, within 10 days of receipt of such direction, repay the principal of and accrued but unpaid interest on the investment, in either case with no penalty or premium to the Authority or Trustee, and

(f) the investment agreement shall state and an opinion of counsel shall be rendered, in the event collateral is required to be pledged by the provider under the terms of the investment agreement, at the time such collateral is delivered, that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession); and

(g) the investment agreement must provide that if during its term

(i) the provider shall default in its payment obligations, the provider's obligations under the investment agreement shall, at the direction of the Authority or the Trustee, be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Authority or Trustee, as appropriate, and

(ii) the provider shall become insolvent, not pay its debts as they become due, be declared or petition to be declared bankrupt, etc. ("event of insolvency"), the provider's obligations shall automatically be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Authority or Trustee, as appropriate.

(12) Negotiable certificates of deposit issued by a nationally or state-chartered bank or a state or federal association (as defined by Section 5102 of the Financial Code of the State) or by a state-licensed branch or a foreign bank and which are rated at least "A" by Moody's and S&P.

(13) The following investment pools:

(a) Local Agency Investment Fund (as set forth in Government Code Section 16429.1);

(b) Riverside County Investment Pool; and

(c) California Assessment Management Pool (CAMP).

"Principal Account" means the account by that name established and held by the Trustee pursuant to Section 4.02(b).

"Qualified Reserve Fund Credit Instrument" means (i) the Surety Bond or (ii) an irrevocable standby or direct-pay letter of credit or surety bond issued by a commercial bank or insurance company and deposited with the Trustee pursuant to Section 4.03, provided that all of the following requirements are met by the Authority at the time of delivery thereof to the Trustee: (a) the long-term credit rating of such bank or insurance company is "A" (without regard to modifier) or higher; (b) such letter of credit or surety bond has a term of at least twelve (12) months; (c) such letter of credit or surety bond has a stated amount at least equal to the portion of the Reserve Requirement with respect to which funds are proposed to be released pursuant to Section 4.03; (d) the Trustee is authorized pursuant to the terms of such letter of

credit or surety bond to draw thereunder an amount equal to any deficiencies which may exist from time to time in the Interest Account and the Principal Account for the purpose of making payments required pursuant to Section 4.03; and (e) prior written notice is given to the Indenture before the effective date of any such Qualified Reserve Fund Credit Instrument.

“Rates and Method of Apportionment” means the rates and method of apportionment of special taxes for each of the Districts, including the methodology for determining and apportioning annual amounts of Special Taxes and maximum annual amounts of Special Taxes.

“Rating Agency” means Standard & Poor’s, Moody’s [and Fitch].

“Rebate Fund” means the fund by that name established and held by the Trustee pursuant to Section 4.05.

“Record Date” means, with respect to any Interest Payment Date, the fifteenth (15th) calendar day of the month immediately preceding such Interest Payment Date, whether or not such day is a Business Day.

“Redemption Fund” means the fund by that name established and held by the Trustee pursuant to Section 4.04.

“Registration Books” means the records maintained by the Trustee pursuant to Section 2.08 for the registration and transfer of ownership of the Bonds.

“Representation Letter” means the representation letter dated the Closing Date from the Authority and the Trustee to The Depository Trust Company.

“Request of the Authority” means a request in writing signed by the Chairman, the Vice Chairman, the Secretary or the Treasurer of the Authority, or by any other officer of the Authority duly authorized by the Board in writing for that purpose.

“Reserve Fund” means the fund by that name established and held by the Trustee pursuant to Section 4.03.

“Reserve Requirement” equals \$ _____ as of the Closing Date which is the lesser of (i) ten percent (10%) of the total of the proceeds of the sale of the Bonds, (ii) the total of Maximum Annual Debt Service on the Bonds or (iii) 125 percent of the total of average Annual Debt Service on the Bonds. The Reserve Requirement may be reduced on any Calculation Date.

“Revenue Fund” means the fund by that name established pursuant to Section 4.02.

“Revenues” means all amounts received by the Trustee from the Fiscal Agent or the School District with respect to the District Bonds. Revenues include amounts received by the Trustee from the Fiscal Agent as a result of the School District’s collection of delinquent installments of Special Taxes levied on parcels of property within any of the Districts for which such installments are delinquent and penalties and interest.

“School District” means Riverside Unified School District.

“Securities Depositories” means The Depository Trust Company, 711 Stewart Avenue, Garden City, New York 11530, Fax (516) 227-4039 or 4190; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the Authority may designate in a Certificate of the Authority delivered to the Trustee.

“Special Taxes” or “Special Tax” means the special taxes levied by the Board of Directors of the School District on parcels of taxable property within the Districts pursuant to the Fiscal Agent Agreements.

“Special Tax Prepayment” means an amount received by the Fiscal Agent from the School District as a prepayment of the Special Tax obligation of a parcel of property in any of the Districts and utilized by the Fiscal Agent to redeem District Bonds.

“Standard & Poor’s” means Standard & Poor’s Ratings Services, a Division of The McGraw-Hill Companies, Inc., a national rating service with offices in New York, New York.

“State” means the State of California.

“Supplemental Indenture” means any indenture, agreement or other instrument hereafter duly executed by the Authority and the Trustee in accordance with the provisions of this Indenture.

“Surety Bond” means the municipal bond debt service reserve insurance policy issued as Policy Number _____ deposited into the Reserve Fund related to the Bonds, issued by _____.

“Surplus Account” means the account by that name established and held by the Trustee pursuant to Section 4.02(d).

“Tax Code” means the Internal Revenue Code of 1986, as amended. Any reference to a provision of the Tax Code shall include the applicable Tax Regulations with respect to such provision.

“Tax Consultant” means an independent financial or tax consultant retained by the School District for the purpose of computing the Special Taxes.

“Tax Regulations” means temporary and permanent regulations promulgated under or with respect to Section 103 and Sections 141 through 150, inclusive, of the Tax Code.

“Trust Office” means the corporate trust office of the Trustee at the address set forth in Section 9.13, and such office as the Trustee may designate in writing to the Authority from time to time as the place for transfer, exchange or payment of the Bonds.

“Trustee” means U.S. Bank National Association, and its successors and assigns, and any other corporation or association which may at any time be substituted in its place as provided in Article VI.

Section 1.02. Rules of Construction. All references in this Indenture to “Articles,” “Sections,” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture; and the words “herein,” “hereof,” “hereunder,” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

Section 1.03. Authorization and Purpose of Bond. The Authority has reviewed all proceedings heretofore taken relative to the authorization of the Bonds and has found, as a result of such review, and hereby finds and determines that all things, conditions, and acts required by law to exist, happen and be performed precedent to and in the issuance of the Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and the Authority is now authorized under the Bond Law and each and every requirement of law, to issue the Bonds in the manner and form provided in this Indenture. Accordingly, the Authority hereby authorizes the issuance of the Bonds for the purpose of providing funds to purchase the District Bonds.

Section 1.04. Security. In consideration of the acceptance of the Bonds by the Owners thereof, this Indenture shall be deemed to be and shall constitute a contract between the Authority and the Owners from time to time of the Bonds; and, except under the circumstances provided for in Section 4.01 with respect to the Bonds, the covenants and agreements herein set forth to be performed on behalf of the Authority shall be for the equal and proportionate benefit, security and protection of all Owners of the Bonds without preference, priority or distinction as to security or otherwise of any of the Bonds over any of the others by reason of the number or date thereof or the time of sale, execution or delivery thereof, or otherwise for any cause whatsoever, except as provided in Section 4.01.

ARTICLE II

ISSUANCE OF BONDS

Section 2.01. Terms of Bond.

(a) **General.** The Bonds authorized to be issued by the Authority under and subject to the Bond Law and the terms of this Indenture shall be designated “Riverside Unified School District Financing Authority 2015 Special Tax Revenue Refunding Bonds” and shall be issued in the original aggregate principal amount of \$_____.

The principal of and interest and premium (if any) on the Bonds shall be payable in lawful money of the United States.

(b) **Terms.** The Bonds shall be issued in fully registered form without coupons in denominations of \$5,000 or any integral multiple thereof, provided that no Bond shall have more than one maturity date. The Bonds shall be dated as of the Closing Date and shall mature on September 1 in each of the years and in the amounts, and shall bear interest (calculated on the basis of a 360-day year of twelve 30-day months) at the rates, as follows:

Maturity Date
(September 1)

Principal Amount

Interest Rate

Interest on the Bonds shall be payable on each Interest Payment Date to the person whose name appears on the Registration Books as the Owner thereof as of the Record Date immediately preceding each such Interest Payment Date, such interest to be paid by check of the Trustee mailed by first class mail, postage prepaid, on each Interest Payment Date to the Owner at the address of such Owner as it appears on the Registration Books as of the preceding Record Date; *provided, however*, that at the written request of the Owner of at least \$1,000,000 in aggregate principal amount of Outstanding Bonds filed with the Trustee prior to any Record Date, interest on such Bonds shall be paid to such Owner on each succeeding Interest Payment Date by wire transfer of immediately available funds to an account in the United States designated in such written request. Any such written request shall remain in effect until rescinded in writing by the Owner. Principal of and premium (if any) on any Bond shall be paid upon presentation and surrender thereof, at maturity or the prior redemption thereof, at the Trust Office of the Trustee.

Each Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date; or (b) it is authenticated on or before February 15, 2015, in which event it shall bear interest from the Closing Date; *provided, however*, that if, as of the date of authentication of any Bond, interest thereon is in default, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Section 2.02. Redemption of Bonds.

(a) Optional Redemption of the Bonds.

The Bonds maturing on or after September 1, 2025 are subject to redemption prior to their stated maturity dates on March 1, 2025, and on any date thereafter, as selected among maturities by the Authority (and by lot within any one maturity), as a whole or in part, in integral

multiples of \$5,000, at the option of the Authority from moneys derived by the Authority from any source, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest to the date of redemption.

(b) Mandatory Redemption From Special Tax Prepayments. The Bonds are subject to mandatory redemption prior to their stated maturity dates on any Interest Payment Date, as selected among maturities by the Authority (and by lot within any one maturity), in integral multiples of \$5,000, from moneys derived by the Authority from mandatory redemption of the District Bonds as a result of Special Tax Prepayments, at redemption prices (expressed as percentages of the principal amounts of the Bonds to be redeemed), together with accrued interest to the date of redemption, as follows:

<u>Redemption Dates</u>	<u>Redemption Prices</u>
September 1, 2015 through September 1, 2022	103%
March 1, 2023 and September 1, 2023	102%
March 1, 2024 and September 1, 2024	101%
March 1, 2025 and each Interest Payment Date thereafter	100%

(c) Mandatory Sinking Fund Redemption.

The Outstanding Bonds maturing on September 1, _____ are subject to mandatory sinking fund redemption, in part, on September 1, _____, and on each September 1 thereafter to maturity, by lot, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date of redemption, without premium, and from sinking fund payments as follows:

<u>Bonds Maturing on September 1, _____</u>	
<u>Redemption Date</u> (September 1)	<u>Sinking Fund Payment</u>

The amounts in the foregoing schedule shall be reduced by the Authority pro rata among redemption dates, in order to maintain substantially level Debt Service, as a result of any prior or partial redemption of the Bonds pursuant to subsections (a) and (b) above.

(d) Notice of Redemption. If Bonds are to be redeemed pursuant to subsections (a), (b) and (c) above the Trustee on behalf and at the expense of the Authority shall mail (by first

class mail) notice of any redemption to the respective Owners of any Bonds designated for redemption at their respective addresses appearing on the Registration Books, and to the Securities Depositories and to one or more Information Services, at least thirty (30) but not more than sixty (60) days prior to the date fixed for redemption; *provided, however*, that neither failure to receive any such notice so mailed nor any defect therein shall affect the validity of the proceedings for the redemption of such Bonds or the cessation of the accrual of interest thereon. Such notice shall state the date of the notice, the redemption date, the redemption place, the redemption price and shall designate the CUSIP numbers and the serial numbers of the Bonds of each maturity or maturities (except that in the event of redemption of all of the Bonds of any maturity in whole, the Trustee shall designate such maturity without referencing the number of each individual Bond) of the Bonds to be redeemed, and shall require that such Bonds be then surrendered at the Trust Office of the Trustee for redemption at the redemption price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date. Such notice may also provide that redemption of the Bonds to be redeemed is contingent upon receipt by the Trustee, on or before the redemption date, of moneys sufficient to pay the redemption price for the Bonds to be redeemed, and that such notice will be cancelled and of no further effect if such moneys are not so received by the Trustee. The Trustee shall not be responsible for giving notice of redemption unless it receives notice of such redemption from the Authority at least forty-five (45) days prior to the date of redemption.

(e) Redemption Procedure Upon Receipt of Notice of Redemption of District Bonds. On receiving notice from the Fiscal Agent pursuant to Section 2.03(E) of any of the Fiscal Agent Agreements, the Authority shall notify the Trustee thereof and that Bonds are to be redeemed pursuant to subsection (a) or subsection (b), as appropriate, of this Section 2.02, utilizing the moneys which will be received by the Trustee as the redemption prices of the District Bonds which are to be redeemed. Upon receiving such a notice from the Authority, the Trustee shall mail notice of the redemption of the Bonds which are to be redeemed to the Owners thereof as provided in subsection (d) above.

(f) Selection of Bonds for Redemption. Whenever provision is made in this Indenture for the redemption of less than all of the Bonds of a maturity or any portion thereof (other than for sinking fund redemption), the Authority shall select the Bonds of such maturities to be redeemed from all Bonds not previously called for redemption in any manner which the Authority in its sole discretion shall deem appropriate. For purposes of such selection, all Bonds to be redeemed shall be treated as separate \$5,000 portions and such portions shall be treated as separate Bonds which may be separately redeemed.

(g) Partial Redemption of Bonds. In the event only a portion of any Bond is called for redemption, upon surrender of such Bond the Authority shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Authority, a new Bond or Bonds of the same series and maturity date, of authorized denominations, in aggregate principal amount equal to the unredeemed portion of the Bond to be redeemed.

(h) Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the principal of and interest (and premium, if any) on the Bonds called for redemption shall have been duly provided, such Bonds shall cease to be entitled to any benefit under this Indenture other than the right to receive payment of the redemption price, and

no interest shall accrue thereon from and after the redemption date specified in such notice. All Bonds redeemed pursuant to this Section 2.02 shall be cancelled and shall be destroyed by the Trustee.

Section 2.03. Form of Bonds. The Bonds, the form of Trustee's certificate of authentication, and the form of assignment to appear thereon, shall be substantially in the form set forth in Exhibit A attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture.

Section 2.04. Execution of Bonds. The Bonds shall be signed in the name and on behalf of the Authority with the manual or facsimile signatures of the Chairman or the Vice Chairman and attested with the manual or facsimile signature of the Secretary or any assistant duly appointed by the Board and shall be delivered to the Trustee for authentication by it. In case any officer of the Authority who shall have signed any of the Bonds shall cease to be such officer before the Bonds so signed shall have been authenticated or delivered by the Trustee or issued by the Authority, such Bonds may nevertheless be authenticated, delivered and issued and, upon such authentication, delivery and issuance, shall be as binding upon the Authority as though the individual who signed the same had continued to be such officer of the Authority. Also, any Bond may be signed on behalf of the Authority by any individual who on the actual date of the execution of such Bond shall be the proper officer although on the nominal date of such Bond such individual shall not have been such officer.

Only such of the Bonds as shall bear thereon a certificate of authentication in substantially the form set forth in Exhibit A, manually executed by the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such certificate of the Trustee shall be conclusive evidence that the Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Indenture.

Section 2.05. Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer in a form approved by the Trustee, duly executed. Whenever any Bond shall be surrendered for transfer, the Authority shall execute and the Trustee shall thereupon authenticate and deliver to the transferee a new Bond or Bonds of like series, tenor, maturity and aggregate principal amount. The Trustee shall require the Owner requesting such transfer to pay any tax or other governmental charge required to be paid with respect to such transfer. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer shall be paid by the Authority. The Trustee shall not be required to transfer, pursuant to this Section, either (a) any Bonds during the fifteen (15) day period preceding the selection of Bonds for redemption, or (b) any Bonds selected for redemption pursuant to Section 2.02(f).

Section 2.06. Exchange of Bonds. Bonds may be exchanged at the Trust Office of the Trustee for Bonds of the same series, tenor and maturity and of other authorized denominations. The Trustee shall require the Owner requesting such exchange to pay any tax or other governmental charge required to be paid with respect to such exchange. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any

exchange shall be paid by the Authority. The Trustee shall not be required to exchange, pursuant to this Section, either (a) any Bonds during the fifteen (15) day period preceding the selection of Bonds for redemption, or (b) any Bonds selected for redemption pursuant to Section 2.02(f).

Section 2.07. Temporary Bonds. The Bonds may be issued initially in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the Authority and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Bond shall be executed by the Authority and be registered and authenticated by the Trustee upon the same conditions and in substantially the same manner as the definitive Bonds. If the Authority issues temporary Bonds, it shall execute and furnish definitive Bonds without delay, and thereupon the temporary Bonds shall be surrendered, for cancellation, in exchange therefor at the Trust Office of the Trustee, and the Trustee shall authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations. Until so exchanged, the temporary Bonds shall be entitled to the same benefits under this Indenture as definitive Bonds authenticated and delivered hereunder.

Section 2.08. Registration Books. The Trustee will keep or cause to be kept at its Trust Office sufficient records for the registration and transfer of the Bonds, which shall at all times during regular business hours be open to inspection by the Authority with reasonable prior notice; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said records, Bonds as hereinbefore provided.

Section 2.09. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the Authority, at the expense of the Owner of said Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like series, tenor and authorized denomination in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be canceled by it and delivered to, or upon the order of, the Authority. If any Bond issued hereunder shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence be satisfactory to the Trustee and indemnity for the Trustee and the Authority satisfactory to the Trustee shall be given, the Authority, at the expense of the Bond Owner, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like series and tenor in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond shall have matured or shall have been called for redemption, instead of issuing a substitute Bond the Trustee may pay the same without surrender thereof upon receipt of indemnity satisfactory to the Trustee). The Authority may require payment of a reasonable fee for each new Bond issued under this Section and of the expenses which may be incurred by the Authority and the Trustee. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original contractual obligation on the part of the Authority whether or not the Bond alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds secured by this Indenture.

Section 2.10. Book-Entry. The Bonds shall be initially issued in the form of a single, fully registered Bond for each maturity (which may be typewritten). Upon initial issuance, the ownership of such Bonds shall be registered in the name of the nominee of The Depository Trust Company, New York, New York and assigns (the “Depository” or “DTC”). Except as hereinafter provided, all Bonds shall be registered in the name of the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to this Section (the “Nominee”).

With respect to the Bonds registered in the name of the Nominee, neither the Authority nor the Trustee shall have any responsibility or obligation to any broker-dealers, banks and other financial institutions from time to time for which the Depository holds Bonds as securities depository (a “Participant”) or to any person on behalf of which such a Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, neither the Authority nor the Trustee shall have any responsibility, liability or obligation whatsoever with respect to (i) the accuracy of the records of the Depository, the Nominee, or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or any other person, other than an Owner of a Bond as shown in the Registration Books, of any notice with respect to the Bonds, including any notice of redemption, (iii) the selection by the Depository and its Participants of the beneficial interests in the Bonds to be redeemed in the event the Authority redeems the Bonds in part, or (iv) the payment to any Participant or any other person, other than an Owner of a Bond as shown in the Registration Books, of any amount with respect to principal of or interest on the Bonds. The Authority and the Trustee may treat and consider conclusively the person in whose name each Bond is registered as the holder and absolute Owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of giving notices of redemption, if applicable, and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Authority shall pay all principal of and interest on the Bonds only to or upon the order of the Owner of a Bond, as shown in the Registration Books, or his or her attorney duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Authority’s obligations with respect to payment of principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner of a Bond, as shown in the Registration Books, shall receive a Bond evidencing the obligation of the Authority to make payments of principal and interest pursuant to this Indenture. Upon delivery by the Depository to the Owners of the Bonds, and the Authority of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions herein with respect to Record Dates, the word Nominee in this Indenture shall refer to such nominee of the Depository.

In the event (i) the Depository determines not to continue to act as securities depository for the Bonds, or (ii) the Depository shall no longer so act and gives notice to the Authority of such determination, then the Authority will discontinue the book-entry system with the Depository. If the Authority determines to replace the Depository with another qualified securities depository, the Authority shall prepare or direct the preparation of a new, single, separate, fully registered Bond, per maturity, registered in the name of such successor or substitute qualified securities depository or its nominee. If the Authority fails to identify another qualified securities depository to replace the Depository, then the Bonds shall no longer be restricted to being registered in the Registration Books in the name of the Nominee, but shall be registered in whatever name or names Owners of the Bonds transferring or exchanging Bonds

shall designate, in accordance with the provisions of Sections 2.05 and 2.06, and the Authority shall prepare and deliver Bonds to the Owners thereof for such purpose.

In the event of a reduction in aggregate principal amount of Bonds Outstanding or an advance refunding of part of the Bonds Outstanding, the Depository, in its discretion, (a) may request the Authority to prepare and issue a new Bond or (b) may make an appropriate notation on a Bond indicating the date and amounts of such reduction in principal, but in such event the records maintained by the Trustee shall be conclusive as to what amounts are Outstanding with respect to the Bond, except in the case of final maturity, in which case the prior to payment.

Notwithstanding any other provision of this Indenture to the contrary, so long as any of the Bonds is registered in the name of the Nominee, all payments of principal and interest with respect to such Bonds and all notices with respect to such Bonds shall be made and given, respectively, as provided in the Representation Letter or as otherwise instructed by the Depository and acceptable to the Authority.

The initial Nominee shall be Cede & Co., as Nominee of DTC.

Section 2.11. Issuance of Parity Bonds. The Authority may issue Parity Bonds for the purpose of defeasing and refunding all or a portion of the Outstanding Bonds or Parity Bonds which may, but need not, be accomplished through the purchase of District Bonds issued by any District, by means of a Supplemental Indenture and without the consent of any Bond Owners, for the purposes of defeasing Outstanding Bonds or Parity Bonds pursuant to Section 9.03.

Notwithstanding satisfaction of the other conditions to the issuance of Parity Bonds set forth in this Indenture, no such issuance may occur (1) if an Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance and (2) unless the Reserve Fund is fully funded at the Reserve Requirement (including the proposed issue) upon the issuance of such Parity Bonds.

ARTICLE III

DEPOSIT AND APPLICATION OF PROCEEDS

Section 3.01. Issuance of Bonds. Upon the execution and delivery of this Indenture, the Authority shall execute and deliver the Bonds in the aggregate principal amount of \$_____, and shall deliver the Bonds to the Trustee for authentication and delivery to the original purchaser thereof upon receipt of a Request of the Authority.

Section 3.02. Application of Proceeds of Sale of Bonds. Upon the receipt of the proceeds of the Bonds (which represents the principal amount of the Bonds, (1) plus a net original issue premium of \$_____, (2) less an underwriter's discount of \$_____, (3) less the premium on the Insurance Policy of \$_____, and (4) less the premium for the Surety Bond in the amount of \$_____, on the Closing Date in the total amount of \$_____, the Trustee shall deposit such total amount in the District Bonds Purchase Fund.

Section 3.03. District Bonds Purchase Fund. The Trustee shall establish and maintain a separate fund to be known as the “District Bonds Purchase Fund” into which shall be deposited the proceeds of sale of the Bonds pursuant to Section 3.02. The Trustee shall pay the full amount on deposit in the District Bonds Purchase Fund on the Closing Date to the Fiscal Agent in payment of the purchase price for the purchase of the District Bonds. The District Bonds shall be held in the name of the Trustee for and on behalf of the Authority.

Section 3.04. Validity of Bonds. The validity of the authorization and issuance of the Bonds shall not be affected in any way by any proceedings taken by the Authority with respect to the application of the proceeds of the District Bonds or the validity or enforceability of the District Bonds, and the recital contained in the Bonds that the same are issued pursuant to the Bond Law shall be conclusive evidence of their validity and of the regularity of their issuance.

ARTICLE IV

REVENUES; RESERVE FUND; FLOW OF FUNDS; CUSTODY OF DISTRICT BONDS

Section 4.01. Pledge of Revenues; Assignment of Rights.

(a) Pledge of Revenues. Subject to the provisions of Section 6.03, the Bonds shall be secured by a first lien upon and pledge (which shall be perfected in the manner and to the extent hereinafter provided) of all of the Revenues and a pledge of all of the moneys in the Interest Account, the Principal Account and the Reserve Fund, including all amounts derived from the investment of such moneys. The Bonds shall be equally secured by a pledge of, and charge and lien upon, the Revenues and such moneys without priority for number, date of the Bonds, date of execution or date of delivery; and the payment of the interest on and principal of the Bonds and any premium upon the redemption of any thereof shall be and is secured by a first and prior pledge, charge and lien upon the Revenues and such moneys. So long as any of the Bonds are Outstanding, the Revenues and such moneys shall not be used for any other purpose; except that out of the Revenues there may be apportioned such sums, for such purposes, as are expressly permitted by Section 4.02.

(b) Assignment of Revenues. The Authority hereby transfers in trust and assigns from time to time to the Trustee for the benefit of the Owners of the Bonds, all of the Revenues and all of the right, title and interest of the Authority in the District Bonds and the Fiscal Agent Agreements. The Trustee shall be entitled to and shall receive all of the Revenues, and any Revenues collected or received by the Authority shall be deemed to be held, and to have been collected or received, by the Authority as the agent of the Trustee and shall forthwith be paid by the Authority to the Trustee. The Trustee also shall be entitled to and shall take all steps, actions and proceedings reasonably necessary in its judgment to enforce, either jointly with the Authority or separately, all of the rights of the Authority and all of the obligations of the School District and the Districts under the District Bonds and the Fiscal Agent Agreements.

Section 4.02. Receipt, Deposit and Application of Revenues. All Revenues shall be promptly deposited by the Trustee upon receipt thereof in a special fund designated as the “Revenue Fund” which the Trustee shall establish, maintain and hold in trust hereunder.

On or before each date on which interest, principal or the redemption price for the Bonds becomes due and payable, the Trustee shall transfer from the Revenue Fund and deposit into the following respective accounts (each of which the Trustee shall establish and maintain within the Revenue Fund), the following amounts in the order of priority prescribed in subsection (d) of this Section 4.02, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

(a) Interest Account. On or before each date on which interest on the Bonds becomes due and payable, the Trustee shall deposit in the Interest Account amounts required to cause the aggregate amounts on deposit in the Interest Account to equal the amount of interest becoming due and payable on the Bonds on such date. No deposit need be made into the Interest Account on any date if the amount on deposit therein is at least equal to the interest becoming due and payable on the Bonds, on such date. All moneys in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds, as it shall become due and payable (including accrued interest on any Bonds redeemed prior to maturity). All amounts on deposit in the Interest Account on the first day of any Bond Year, to the extent not required to pay any interest then having become due and payable on the Outstanding Bonds, shall be withdrawn therefrom by the Trustee and transferred to the Surplus Account.

(b) Principal Account. On or before each date on which the principal of the Bonds becomes due and payable, the Trustee shall deposit in the Principal Account amounts required to cause the aggregate amount on deposit in the Principal Account to equal the principal amounts of the Bonds becoming due and payable on such date pursuant to Section 2.01, or the redemption price of the Bonds (consisting of the principal amount thereof and any applicable redemption premium) required to be redeemed on such date pursuant to any of the provisions of Section 2.02. All moneys in the Principal Account shall respectively be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Bonds at the maturity thereof. All amounts on deposit in the Principal Account on the first day of any Bond Year, to the extent not required to pay the principal of any Outstanding Bonds then having become due and payable shall be withdrawn therefrom by the Trustee and transferred to the Surplus Account.

(c) Reserve Fund. On any such Interest Payment Date, the Trustee shall, after making the required deposits to the Interest and Principal Accounts, deposit moneys available in the Revenue Fund to the Reserve Fund in the amount necessary to restore the amount on deposit therein to the Reserve Requirement.

(d) Surplus Account. On the first Business Day following each Interest Payment Date, the Trustee shall transfer any moneys remaining on deposit in the Revenue Fund to the Surplus Account. On or before the March 1 Interest Payment Date in each Bond Year, the Trustee shall transfer moneys from the Surplus Account, to the extent of the moneys on deposit therein and in the order of priority prescribed in the last paragraph of this subsection (d), to the Interest Account in amounts equal to any deficiency in the amount of other moneys which are on deposit in the Revenue Fund and available for transfer to and deposit in such accounts to pay the full amount of the interest on the Bonds which is due and payable on such Interest Payment Date. On or before the September 1 Interest Payment Date in each Bond Year, the Trustee shall

transfer moneys from the Surplus Account, to the extent of the moneys on deposit therein, to the Interest Account and Principal Account in amounts equal to any deficiency in the amount of other moneys which are on deposit in the Revenue Fund and available for transfer to and deposit in such accounts to pay the full amount of the interest on and principal of the Bonds which is due and payable on such Interest Payment Date. On September 2 of each year, commencing on September 2, 2015, the Trustee shall transfer from the amount remaining on deposit in the Surplus Account first to the Reserve Fund the amount, if any, which is necessary to bring the amount on deposit therein equal to the Reserve Requirement, and after making any such transfers, the Trustee shall transfer the full amount of any moneys remaining on deposit in the Surplus Account to the Fiscal Agent for deposit in the Special Tax Funds established and maintained pursuant to the Fiscal Agent Agreements. The amount to be transferred to each Fiscal Agent for deposit in each such Special Tax Fund on September 2 of each such year shall be determined by dividing the total amount of the District Bonds for each District currently outstanding by the amounts of the Bonds currently outstanding, and such amounts shall be determined by the School District and specified in a certificate of an Authorized Officer of the School District which shall be delivered to the Fiscal Agent (upon which the Fiscal Agent may conclusively rely) at least two (2) Business Days before September 2 of each such year. On or before May 30 of each year, commencing on May 30, 2016, the Trustee shall notify the Authority and the School District of the amount which is then on deposit in the Surplus Account and of the aggregate amount of the principal of and interest on the Bonds which will become due and payable on the following September 1.

In the event that moneys on deposit in the Revenue Fund, including moneys on deposit in the Surplus Account, will be insufficient on any Interest Payment Date for the Trustee to deposit the required amounts in the Interest Account and the Principal Account, or either of such accounts, as provided above, the Trustee shall deposit the available funds first to the Interest Account in the full amount required to cause the aggregate amount on deposit therein to equal the amount of interest becoming due and payable on the Bonds on the Interest Payment Date, and shall then deposit the remaining available funds in the Revenue Fund to the Principal Account in the full amount required to cause the aggregate amount on deposit therein to equal the amount, if any, of principal becoming due and payable on the Bonds on the Interest Payment Date. If, after making such deposits to the Interest Account and the Principal Account, and after transferring moneys from the Reserve Fund to such accounts, as provided in Section 4.03(b)(1), the amount on deposit in the Principal Account is insufficient to pay the full amount of the principal of each of the Bonds which is to be redeemed on the Interest Payment Date, the Trustee shall make a prorated payment of the principal of each of such Bonds.

Section 4.03. Reserve Fund.

(a) Establishment of Fund. The Trustee shall establish, maintain and hold in trust hereunder the "Reserve Fund." Moneys in the Reserve Fund shall be held in trust by the Trustee for the benefit of the Owners of the Bonds or, if Parity Bonds are issued pursuant to Section 2.11 hereof, the Bonds and such Parity Bonds, as a reserve for the payment of the principal of and interest and any premium on the Bonds or the Bonds and such Parity Bonds, and shall be subject to a lien in favor of the Owners of the Bonds or the Bonds and such Parity Bonds (as hereinafter provided).

(b) Reserve Fund. The Trustee shall deposit into the Reserve Fund, from the amounts received by the Trustee from the Fiscal Agent pursuant to the Fiscal Agent Agreements, the amount of \$ _____, which amount is equal to the Reserve Requirement as of the Closing Date.

(1) Use of Funds. Except as otherwise provided in this subsection (b), all amounts deposited in the Reserve Fund shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in the event of any deficiency at any time in either such account of the amount then required for payment of the principal of and interest and any premium on the Bonds or, in accordance with the provisions of paragraph (3) of this subsection (b), for the purpose of redeeming the Bonds. As provided in Section 4.03(F) of each of the Fiscal Agent Agreements, amounts transferred from the Reserve Fund to the Interest Account and the Principal Account pursuant to this paragraph as a result of a deficiency in the collection of the Special Tax Revenues that relate to any District or Districts (a “Delinquent District”), shall be restored by the School District from the collection of delinquent installments on the Special Taxes levied on parcels within the Delinquent District or Delinquent Districts, for which such installments are delinquent, and penalties and interest thereon, whether by judicial foreclosure proceedings or otherwise, as soon as is reasonably possible following receipt by the School District of such delinquent installments, penalties and interest, and from amounts which the School District is obligated, pursuant to Section 4.03(F) of the applicable Fiscal Agent Agreement(s), to include in the levy of Special Taxes on parcels within the Delinquent District(s) in subsequent Fiscal Years.

(2) Liquidation of Investments. If the Trustee receives notice from the Fiscal Agent that moneys on deposit in the Special Tax Fund, including moneys on deposit in the Surplus Account therein, held by the Fiscal Agent under any of the Fiscal Agent Agreements will be insufficient on any Interest Payment Date for the Fiscal Agent to deposit the required amounts in the Interest Account and the Principal Account of the Bond Fund held by the Fiscal Agent under such Fiscal Agent Agreement, as provided in Section 4.02 thereof, the Trustee shall take action to liquidate or draw upon the Permitted Investments in which the Reserve Fund is invested, as necessary, to pay Debt Service on the Bonds.

(3) Transfers on Payment of Special Tax Prepayment. Whenever the Trustee receives from the Fiscal Agent (i) an Officer’s Certificate received from the School District, pursuant to the Fiscal Agent Agreement for any District and its Outstanding District Bonds notifying the Fiscal Agent that the obligation of a lot or parcel of property within the District identified in such Officer’s Certificate (the “Specified District”), for the payment of the Special Taxes with respect to the District Bonds of the Specified District, has been fully paid and satisfied by payment of a Special Tax Prepayment, and (ii) the amount of the redemption price, except the portion which will be provided from the Transferred Amount (as defined below) for the Outstanding District Bonds of the Specified District which are being redeemed as a result of such Special Tax Prepayment, which will also be specified in such Officer’s Certificate, and following the deposit of such amount in the Redemption Fund, the Trustee will transfer from the Reserve Fund, to the extent that funds are available, to the Redemption Fund the amount, as specified in such Officer’s Certificate, which the Trustee is to transfer from the Reserve Fund to the Redemption Fund. Each such Officer’s Certificate will be accompanied by a report of the

Special Tax Consultant verifying the accuracy of the calculation of the amount to be transferred from the Reserve Fund to the Redemption Fund (“Verification”).

Upon receipt of such an Officer’s Certificate and accompanying Verification, and the amount of such redemption price, the Trustee is authorized to act without further inquiry to the same extent as it is authorized to act upon receipt of a Certificate of the Authority, will not be responsible for the accuracy of the statements contained in such Certificate of the Authority, and will be absolutely protected and incur no liability in relying on such Officer’s Certificate and the accompanying Verification. Upon each such transfer of an amount (the “Transferred Amount”) of moneys from the Reserve Fund to the Redemption Fund, an amount of the principal of the Outstanding District Bonds of the Specified District equal to the maximum portion of the Transferred Amount which amount, together with the prepayment amount, is equally divisible by \$5,000 will be deemed to have been redeemed (the “Redeemed Amount”), and the Trustee will utilize a portion of the Transferred Amount which is equal to the Redeemed Amount to redeem the Bonds.

The Trustee will retain the portion, if any, of the Transferred Amount in excess of the Redeemed Amount in the Redemption Fund and will utilize such amount to redeem the Bonds upon the next prepayment of the Bonds prior to maturity. Notwithstanding any other provision of the Indenture, upon each such transfer of moneys from the Reserve Fund to the Redemption Fund or the Principal Account, the Reserve Requirement will be reduced correspondingly.

(4) Transfers on Payment of Final Installments of the Special Taxes. Prior to the Final Maturity Date for the Outstanding District Bonds of any District (the “Maturing District Bonds”), the Trustee shall transfer a portion of the amount on deposit in the Reserve Fund to the Revenue Fund for the payment of the portion of the debt service on the Outstanding Bonds which relates to the Maturing District Bonds. Notwithstanding the preceding provisions of this paragraph (3), the Trustee shall not transfer any amount from the Reserve Fund to the Principal Account if any amount which has previously been withdrawn from the Reserve Fund pursuant to paragraph (1) of this subsection (b) has not been restored by the School District as provided in said paragraph (1).

(5) Investment Earnings. On September 2 of each Bond Year, if the amount on deposit in the Reserve Fund (not including Investment Earnings), is equal to the Reserve Requirement, the Trustee shall transfer accumulated Investment Earnings, except Excess Investment Earnings as directed by the Authority, on deposit in the Reserve Fund, to the Surplus Account.

(6) Qualified Reserve Fund Credit Instrument. The Authority shall, with the prior written consent of the Insurer, have the right at any time to direct the Trustee to release funds from the Reserve Fund, in whole or in part, by tendering to the Trustee: (i) a Qualified Reserve Fund Credit Instrument, and (ii) an opinion of Bond Counsel stating that neither the release of such Funds nor the acceptance of such Qualified Reserve Fund Credit Instrument will cause interest on the Bonds to become includable in gross income for purposes of federal income taxation. Upon tender of such items to the Trustee, and upon delivery by the Authority to the Trustee of written calculation of the amount permitted to be released from the Reserve Fund (upon which calculation the Trustee may conclusively rely), the Trustee shall transfer such funds

from the Reserve Fund to the Authority to be applied in accordance with the Act. The Trustee shall comply with all documentation relating to the Surety Bond or other Qualified Reserve Fund Credit Instrument as shall reasonably be required to maintain such Qualified Reserve Fund Credit Instrument in full force and effect and as shall reasonably be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under this subsection (d). Upon the expiration of any Qualified Reserve Fund Credit Instrument, the Authority shall be obligated either (i) to replace such Qualified Reserve Fund Credit Instrument with a new Qualified Reserve Fund Credit Instrument, or (ii) to deposit or cause to be deposited with the Trustee an amount of funds equal to the Reserve Requirement, to be derived from the first available Revenues.

Section 4.04. Redemption Fund. The Trustee shall establish the “Redemption Fund” when required. The Trustee shall deposit in the Redemption Fund moneys received from the Fiscal Agent as a result of the redemption of the District Bonds of any District (the “Redeemed Bonds”), pursuant to Section 2.03(A) or Section 2.03(B) of the Fiscal Agent Agreement for Redeemed Bonds. Moneys deposited in the Redemption Fund shall be utilized to pay the redemption prices of the Outstanding Bonds which are to be redeemed as provided in Section 2.02(a), Section 2.02(b) or Section 2.02(c), as appropriate. The Trustee shall also deposit in the Redemption Fund amounts which are to be transferred from the Reserve Fund pursuant to subsection (b) of Section 4.03.

Section 4.05. Rebate Fund. The Trustee shall establish the “Rebate Fund” when required. The Trustee shall deposit in the Rebate Fund from time to time, from payments made by the Authority and/or the School District for such purpose, an amount determined by the Authority to be subject to rebate to the United States in accordance with Section 5.08. Amounts in the Rebate Fund shall be applied and disbursed by the Trustee solely for the purposes and at the time set forth in Requests of the Authority filed with the Trustee pursuant to Section 5.08.

Section 4.06. Investments. All moneys in any of the funds or accounts established with the Trustee pursuant to this Indenture shall be invested by the Trustee solely in Permitted Investments pursuant to the written direction of the Authority given to the Trustee two (2) Business Days in advance of the making of such investments. The Trustee shall be entitled to rely conclusively upon the written instructions of the Authority directing investments in Permitted Investments as to the fact that each such investment is permitted by the laws of the State, and shall not be required to make further investigation with respect thereto. With respect to any restrictions set forth in the definition of Permitted Investments which embody legal conclusions (e.g., the existence, validity and perfection of security interests in collateral), the Trustee shall be entitled to rely conclusively on an opinion of counsel obtained at the Authority’s expense. In the absence of any such direction from the Authority, the Trustee shall invest any such moneys in Permitted Investments described in clause (7) of the definition thereof. Obligations purchased as an investment of moneys in any fund or account shall be deemed to be of such fund or account.

Except as specifically provided herein, the Trustee shall not be liable to pay interest on moneys received by it, but shall be liable only to account to the Authority for earnings derived from funds that have been invested.

All interest or gain derived from the investment of amounts in any of the funds or accounts established hereunder shall be deposited in the fund or account from which such investment was made. For purposes of acquiring or disposing of any investments hereunder, the Trustee may, in its discretion, commingle funds held by it hereunder. The Trustee may act as principal or agent in the acquisition or disposition of any investment and may engage in or be interested in any financial or other transaction with the Authority. The Trustee shall incur no liability for losses arising from any investments made pursuant to this Section.

The Trustee shall furnish the Authority periodic cash transaction statements which include detail for all investment transactions effected by the Trustee or brokers selected by the Authority. Upon the Authority's election, such statements will be delivered via the Trustee's online service and upon electing such service, paper statements will be provided only upon request. The Authority waives the right to receive brokerage confirmations of security transactions effected by the Trustee as they occur, to the extent permitted by law. The Authority further understands that trade confirmations for securities transactions effected by the Trustee will be available upon request and at no additional cost and other trade confirmations may be obtained from the applicable broker.

The Trustee may make any investments hereunder through its own bond or investment department or trust investment department, or those of its parent or any affiliate.

Section 4.07. Valuation and Disposition of Investments. For the purpose of determining the amount in any fund or account, the value of Permitted Investments credited to such fund or account shall be valued by the Trustee at least annually at the market value thereof.

Section 4.08. Custody of District Bonds. Concurrently with the execution and delivery of this Indenture, the Authority is delivering to the Trustee the duly executed and authenticated District Bonds of all the Districts and has instructed the Trustee to hold such District Bonds in its name for and on behalf of the Authority and the District Bonds shall be held in trust for the benefit of the Owners of the Bonds. The Trustee hereby accepts delivery of such District Bonds and agrees to hold them as custodian in trust for the benefit of the Authority and in trust for the Owners of the Bonds.

Section 4.09. Costs of Issuance Fund.

(a) Creation of Costs of Issuance Fund. The Trustee shall establish, maintain and hold in trust hereunder the "Costs of Issuance Fund." The Trustee shall deposit in the Costs of Issuance Fund the amounts received by the Trustee from the Fiscal Agent pursuant to the Fiscal Agent Agreements representing the proceeds of the sale of the District Bonds deposited in the Costs of Issuance Funds established pursuant to the Fiscal Agent Agreements on the Closing Date. Moneys in the Cost of Issuance Fund shall be held in trust by the Trustee and shall be disbursed as provided in subsection (b) of this Section for the payment or reimbursement of Costs of Issuance.

(b) Disbursement. Amounts in the Costs of Issuance Fund shall be disbursed to pay Costs of Issuance, as set forth in a requisition containing respective amounts to be paid to the designated payees, signed by an authorized officer of the Authority and delivered to the

Authority on the Closing Date. The Trustee shall pay all Costs of Issuance upon receipt of an invoice from any such payee which requests payment in an amount which is less than or equal to the amount set forth with respect to such payee in such requisition, or upon receipt of an Certificate of the Authority requesting payment of a Cost of Issuance not listed on the initial requisition delivered to the Trustee on the Closing Date. The Trustee shall maintain the Costs of Issuance Fund for a period of ninety (90) days from the Closing Date and shall then transfer and deposit any moneys remaining therein, including any Investment Earnings thereon, to the Revenue Fund and the Costs of Issuance Fund shall be closed.

(c) Investment. Moneys in the Costs of Issuance Fund shall be invested and deposited in accordance with Section 4.06. Investment Earnings shall be retained by the Trustee in the Cost of Issuance Fund to be used for the purposes of such fund.

Section 4.10. Municipal Bond Insurance; Surety Bond. [to come]

ARTICLE V

ADDITIONAL COVENANTS

Section 5.01. Punctual Payment. The Authority shall punctually pay or cause to be paid the principal, interest and premium (if any) to become due in respect of all the Bonds, in strict conformity with the terms of the Bonds and of this Indenture, according to the true intent and meaning thereof, but only out of the Revenues and other assets pledged for such payment as provided in this Indenture.

Section 5.02. Extension of Payment of Bonds. The Authority shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any claims for interest by the purchase of such Bonds or by any other arrangement, and in case the maturity of any of the Bonds or the time of payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any default hereunder, to the benefits of this Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest thereon which shall not have been so extended. Nothing in this Section shall be deemed to limit the right of the Authority to issue Parity Bonds pursuant to Section 2.11 for the purpose of refunding any Outstanding Bonds, and such issuance shall not deemed to constitute an extension of maturity of such Bonds.

Section 5.03. Against Encumbrances. The Authority shall not (except as provided in Section 2.11) create, or permit the creation of, any pledge, lien, charge or other encumbrance upon the Revenues and other assets pledged or assigned under this Indenture while any of the Bonds are Outstanding, except the pledge and assignment created by this Indenture. Subject to this limitation, the Authority expressly reserves the right to enter into one or more other indentures for any of its corporate purposes, including other purposes under the Bond Law, and reserves the right to issue other obligations for such purposes.

Section 5.04. Power to Issue Bonds and Make Pledge and Assignment. The Authority is duly authorized pursuant to law to issue the Bonds and to enter into this Indenture

and to pledge and assign the Revenues, the District Bonds and other assets purported to be pledged and assigned, respectively, under this Indenture in the manner and to the extent provided in this Indenture. The Bonds and the provisions of this Indenture are and will be the legal, valid and binding special obligations of the Authority in accordance with their terms, and the Authority and the Trustee (subject to its rights hereunder) shall at all times, to the extent permitted by law, defend, preserve and protect said pledge and assignment of the Revenues and other assets and all the rights of the Bond Owners under this Indenture against all claims and demands of all persons whomsoever.

Section 5.05. Accounting Records and Financial Statements. The Trustee shall at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with corporate trust industry standards, in which accurate entries shall be made of all transactions made by the Trustee relating to the proceeds of Bonds, the Revenues, the District Bonds and all funds and accounts established pursuant to this Indenture or the Fiscal Agent Agreements. Such books of record and account shall be available for inspection by the Authority and the School District, during regular business hours with reasonable prior notice.

Section 5.06. No Additional Obligations. The Authority covenants that except for the issuance of Parity Bonds pursuant to Section 2.11, no additional bonds, notes or other indebtedness shall be issued or incurred which are payable out of the Revenues, in whole or in part.

Section 5.07. Tax Covenants Relating to Bonds.

(a) Generally. The Authority shall not take any action or permit to be taken any action within its control which would cause or which, with the passage of time if not cured would cause, interest on the Bonds to become includable in gross income for federal income tax purposes.

(b) Private Business Use Limitation. The Authority shall assure that the proceeds of the Bonds are not used in a manner which would cause the Bonds to become “private activity bonds” within the meaning of Section 141(a) of the Tax Code.

(c) Private Loan Limitation. The Authority shall assure that no more than five percent (5%) of the net proceeds of the Bonds are used, directly or indirectly, to make or finance a loan to persons other than state or local government units.

(d) Federal Guarantee Prohibition. The Authority shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Bonds to be “federally guaranteed” within the meaning of Section 149(b) of the Tax Code.

(e) No Arbitrage. The Authority shall not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the Bond proceeds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date, would have caused the Bonds to be “arbitrage bonds” within the meaning of Section 148(a) of the Tax Code.

The Trustee makes no representations, covenants or warranties regarding the current or future tax status of interest on the Bonds.

Section 5.08. Rebate of Excess Investment Earnings to United States.

(a) Obligation to Calculate Excess Investment Earnings. The Authority shall comply with all applicable provisions of the Tax Code relating to the calculation of Excess Investment Earnings and shall provide or cause to be provided written notice to the Trustee of the amounts so calculated. Such calculations shall be made by or on behalf of the Authority at such times, and in such manner, as shall be required pursuant to all applicable provisions of the Tax Code. Promptly upon the making of any such calculation by or on behalf of the Authority, the Authority shall give written notice thereof to the Trustee and the School District. The Authority shall make written demand on the School District from time to time for any amounts owed by the School District under the Fiscal Agent Agreements in respect of amounts owing to the United States.

(b) Rebate to United States. The Authority shall pay to the Trustee from time to time, in accordance with the Tax Code, all Excess Investment Earnings required to be paid to the United States pursuant to the Tax Code. Amounts in the Rebate Fund shall be applied by the Trustee, at the Request of the Authority, solely to make payments from time to time, when due, of Excess Investment Earnings to the United States; *provided, however,* that any amounts on deposit in the Rebate Fund in excess of the amount required to be paid to the United States shall be withdrawn therefrom by the Trustee at the Request of the Authority and paid to the Authority. Payments to the United States shall be made to the address prescribed by the Tax Regulations, together with such reports and statements as may be prescribed by the Tax Regulations all as provided by the Authority in writing to the Trustee.

(c) Investment Transactions. The Authority shall assure that Excess Investment Earnings are not paid or disbursed except as required in this Section 5.08. To that end the Authority shall assure that investment transactions are on an arm's length basis. In the event that any investments consist of certificates of deposit or investment contracts, such investments shall be made in accordance with the procedures described in applicable Tax Regulations as from time to time in effect.

(d) Maintenance of Records. The Authority shall keep, and retain for a period of six (6) years following the retirement of the Bonds, records of the determinations made pursuant to this Section 5.08.

(e) Engagement of Professional Services. In order to provide for the administration of this Section 5.08, the Authority may provide for the employment of independent attorneys, accountants and consultants compensated on such reasonable basis as the Authority may deem appropriate.

(f) Trustee's Reliance on Authority. The Trustee shall conclusively be entitled to rely upon all calculations and directions made and furnished by the Authority under this Section 5.08, and the Trustee shall not be responsible for reviewing such calculations and directions and shall

not incur any liability whatsoever in acting upon and as instructed by such calculations and directions, or for failing to take any action in the absence of such directions.

Section 5.09. District Bonds. The Trustee, as assignee of the Authority's rights pursuant to Section 4.01, shall receive all amounts due from the School District pursuant to the District Bonds and the Fiscal Agent Agreements and, subject to its rights hereunder, shall enforce, and take all steps, actions and proceedings reasonably necessary for the enforcement of all of the rights of the Authority thereunder and for the enforcement of all of the obligations of the School District. The Trustee shall not be required to take notice or be deemed to have notice of the occurrence of any event of default by the School District under the Fiscal Agent Agreements, except the failure of the School District to make any of the payments to the Fiscal Agent, unless the Trustee shall be specifically notified thereof by the School District or the Authority or otherwise has actual notice thereof.

The Authority, the Trustee, the Fiscal Agent and the School District, as applicable, may at any time amend or modify any of the District Bonds or the Fiscal Agent Agreements, but only if the provisions of Article VIII of the Fiscal Agent Agreements are satisfied and (a) if the Trustee first obtains the written consent of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding to such amendment or modification; *provided, however*, that no such amendment or modification shall (i) extend the maturity of or reduce the amount of interest or principal payments on the District Bonds, or otherwise alter or impair the obligation of the School District to pay the principal, interest or redemption premiums on the District Bonds at the time and place and at the rate and in the currency provided herein, without the express written consent of the Owner of each affected Bond, (ii) reduce the percentage of Bonds required for the written consent to any such modification or amendment thereof or hereof, or (iii) without its written consent thereto, modify any of the rights or obligations of the Fiscal Agent; or (b) without the consent of the Trustee or any of the Bond Owners, if such amendment or modification is for any one or more of the following purposes:

(i) to add to the covenants and agreements of the School District and the Districts contained in such District Bonds or the Fiscal Agent Agreements other covenants and agreements thereafter to be observed, or to limit or surrender any rights or power therein reserved to or conferred upon the School District and the Districts, so long as such limitation or surrender of such rights or powers shall not materially adversely affect the Owners of the Bonds, in the opinion of Bond Counsel filed with the Authority and the Trustee;

(ii) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in such District Bonds or the Fiscal Agent Agreements or in any other respect whatsoever as the School District may deem necessary or desirable; provided that, in the opinion of Bond Counsel filed with the Authority and the Trustee, such modifications or amendments shall not, under any circumstance, materially adversely affect the interests of the Owners of the Bonds; or

(iii) to amend any provision thereof relating to the Tax Code, to any extent whatsoever but only if and to the extent that, in the opinion of Bond Counsel filed with

the Authority and the Trustee, such amendment will not adversely affect the exclusion from gross income for federal income tax purposes of interest on any of the Bonds under the Tax Code.

Nothing in this Section 5.09 shall prevent the School District and/or the Authority from entering into any amendment or modification of any District Bonds or the Fiscal Agent Agreements which solely affects a particular District Bond or District Bonds the Owner or all of the Owners of which shall have consented to such amendment or modification. The Trustee shall be entitled to rely upon the opinion of Bond Counsel stating that the requirements of this Section 5.09 have been met with respect to any amendment or modification of any District Bonds or the Fiscal Agent Agreements.

The Authority may sell a District Bond upon written direction to the Trustee, so long as the proceeds of such sale will be used to effect a full or partial defeasance of the Bonds in the manner set forth in and in compliance with the provisions of Section 9.03.

Section 5.10. Further Assurances. The Authority will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture, and for the better assuring and confirming unto the Owners of the Bonds the rights and benefits provided in this Indenture.

Section 5.11. Continuing Disclosure. The Authority and the Trustee hereby covenant agree that they will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of this Indenture, failure of the Authority or the Trustee to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default under this Indenture; provided that the Trustee, at the request of any Participating Underwriter (as defined in the Continuing Disclosure Agreement) or the Owners of at least 25% in aggregate principal amount of the Outstanding Bonds, shall, but only to the extent indemnified to its satisfaction from any liability or expense related thereto (including, without limitation, fees and expenses of its attorneys), or any Bond Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Authority or the Trustee to comply with its obligations pursuant to this Section.

ARTICLE VI

THE TRUSTEE

Section 6.01. Appointment of Trustee. U.S. Bank National Association is hereby appointed Trustee by the Authority for the purpose of receiving all moneys required to be deposited with the Trustee hereunder and to allocate, use and apply the same as provided in this Indenture. The Authority agrees that it will maintain a Trustee which shall be a financial institution having a corporate trust office in the State, having (or in the case of a corporation or trust company included in a bank holding company system, the related bank holding company shall have) a combined capital and surplus of at least Seventy-five Million Dollars (\$75,000,000), and being subject to supervision or examination by federal or State authority, so long as any Bonds are Outstanding. If such financial institution publishes a report of condition at

least annually pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this Section 6.01 the combined capital and surplus of such financial institution shall be deemed to its combined capital and surplus as set forth in its most recent report of condition so published.

The Trustee is hereby authorized to pay the principal of and interest and redemption premium (if any) on the Bonds when duly presented for payment at maturity, or on redemption or purchase prior to maturity, and to cancel all Bonds upon payment thereof. The Trustee shall keep accurate records of all funds administered by it and of all Bonds paid and discharged.

Section 6.02. Acceptance of Trusts. The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform said trusts, but only upon and subject to the following express terms and conditions:

(a) The Trustee, prior to the occurrence of an Event of Default and after curing (or waiver of) all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture and no implied duties, covenants or obligations shall be read into this Indenture against the Trustee. In case an Event of Default hereunder has occurred (which has not been cured or waived), the Trustee may exercise such of the rights and powers vested in it by this Indenture, and shall use the same degree of care and skill and diligence in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's affairs.

(b) The Trustee may execute any of the trusts or powers hereunder and perform the duties required of it hereunder by or through attorneys, agents, or receivers, and shall be entitled to advice of counsel concerning all matters of trust and its duty hereunder. The Trustee may conclusively rely on an opinion of counsel as full and complete protection for any action taken or suffered by it hereunder.

(c) The Trustee shall not be responsible for any recital herein, or in the Bonds, or supplements thereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby and the Trustee shall not be bound to ascertain or inquire as to the observance or performance of any covenants, conditions or agreements on the part of the Authority hereunder.

(d) The Trustee and its officers and employees may become the Owner of Bonds secured hereby with the same rights which it would have if it were not the Trustee; may acquire and dispose of other bonds or evidences of indebtedness of the Authority with the same rights it would have if it were not the Trustee; and may act as a depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners of Bonds, whether or not such committee shall represent the Owners of the majority in aggregate principal amount of the Bonds then Outstanding.

(e) The Trustee shall be protected in acting, without negligence or willful misconduct, upon any notice, request, consent, certificate, or document believed by it to be genuine and correct and to have been signed or sent by the proper person or persons. Any action

taken or omitted to be taken by the Trustee without negligence or willful misconduct pursuant to this Indenture upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the Owner of any Bond, shall be conclusive and binding upon all future Owners of the same Bond and upon Bonds issued in exchange therefor or in place thereof. The Trustee shall not be bound to recognize any person as an Owner of any Bond or to take any action at his or her request unless the ownership of such Bond by such person shall be reflected on the Registration Books.

(f) As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a Certificate of the Authority as sufficient evidence of the facts therein contained, and prior to the occurrence of an Event of Default hereunder of which the Trustee has been given notice or is deemed to have notice, as provided in paragraph (h) of this Section 6.02, shall also be at liberty to accept a Certificate of the Authority to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed by it to be necessary or advisable, but shall in no case be bound to secure the same.

(g) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and it shall not be answerable for other than its negligence or willful misconduct. The immunities and exceptions from liability of the Trustee shall extend to its officers, directors, employees and agents.

(h) The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default hereunder except failure by the Authority to make any of the payments to the Trustee required to be made by the Authority pursuant hereto unless the Trustee shall be specifically notified in writing of such default by the Authority or by the Owners of at least twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding (determined in accordance with Section 9.16) and all notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the Trust Office of the Trustee, and in the absence of such notice so delivered the Trustee may conclusively assume there is no Event of Default hereunder except as aforesaid.

(i) At any and all reasonable times the Trustee, and its duly authorized agents, attorneys, experts, accountants and representatives, shall have the right (but not any duty) fully to inspect all books, papers and records of the Authority pertaining to the Bonds, and to make copies of any of such books, papers and records such as may be desired but which is not privileged by statute or by law.

(j) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises hereof.

(k) Notwithstanding anything elsewhere in this Indenture with respect to the execution of any Bonds, the withdrawal of any money, the release of any property, or any action whatsoever within the purview of this Indenture, the Trustee shall have the right, but shall not be required, to demand any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, as may be deemed desirable for the purpose of establishing

the right of the Authority to the execution of any Bonds, the withdrawal of any money, or the taking of any other action by the Trustee.

(l) Before taking any action pursuant to this Article VI or Article VIII, the Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful misconduct in connection with any such action.

(m) All moneys received by the Trustee shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required by law.

(n) The Trustee shall have no responsibility or liability with respect to any statements or recitals in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of the Bonds.

Section 6.03. Fees, Charges and Expenses of Trustee. The Trustee shall be entitled to payment and reimbursement from the Authority for reasonable fees for its services rendered hereunder and all advances, counsel fees (including expenses and the allocated costs and disbursements of in-house counsel to the extent that the services of such counsel are not redundant of those provided by outside counsel) and other expenses reasonably and necessarily made or incurred by the Trustee in connection with such services. The Trustee's right to compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust. The Trustee's right to compensation shall survive the resignation or removal of the Trustee or the termination and discharge of this Indenture with regard to the performance of its duties prior thereto. Upon the occurrence of an Event of Default hereunder, but only upon the occurrence of an Event of Default, the Trustee shall have a first lien, with right of payment prior to payment of any Bond, upon the amounts held hereunder for the foregoing fees, charges and expenses incurred by it.

Section 6.04. Notice to Bond Owners of Default. If an Event of Default hereunder occurs with respect to any Bonds of which notice to the Trustee has been given or of which the Trustee is deemed to have notice of, as provided in Section 6.02(h), then the Trustee shall promptly give written notice thereof by first-class mail to the Owner of each such Bond, unless such Event of Default shall have been cured before the giving of such notice; *provided, however*, that unless such Event of Default consists of the failure by the Authority to make any payment when due, the Trustee may elect not to give such notice if and so long as the Trustee in good faith determines that it is in the best interests of the Bond Owners not to give such notice.

Section 6.05. Intervention by Trustee. In any judicial proceeding to which the Authority is a party which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interests of Owners of any of the Bonds, the Trustee may intervene on behalf of such Bond Owners, and subject to Section 6.02(l), shall do so if requested in writing by the Owners of at least twenty-five percent (25%) in aggregate principal amount of such Bonds then Outstanding (determined in accordance with Section 9.16).

Section 6.06. Removal of Trustee. The Owners of a majority in aggregate principal amount of the Outstanding Bonds may at any time, and the Authority may (and the Authority, at the request of the School District shall) so long as no Event of Default shall have occurred and then be continuing, remove the Trustee initially appointed, and any successor thereto, by an instrument or concurrent instruments in writing delivered to the Trustee, whereupon the Authority or such Owners, as the case may be, shall appoint a successor or successors thereto; provided that any successors shall be a financial institution meeting the requirements set forth in Section 6.01.

Section 6.07. Resignation by Trustee. The Trustee and any successor Trustee may at any time give thirty (30) days' written notice of its intention to resign as Trustee hereunder, such notice to be given to the Authority and the School District by registered or certified mail. Upon receiving such notice of resignation, the Authority shall promptly appoint a successor Trustee. Any resignation or removal of the Trustee and appointment of a successor Trustee shall become effective only upon acceptance of appointment by the successor Trustee; provided that the. Upon such acceptance, the Authority shall cause notice thereof to be given by first class mail, postage prepaid, to the Bond Owners at their respective addresses set forth in the Registration Books.

Section 6.08. Appointment of Successor Trustee. In the event of the removal or resignation of the Trustee pursuant to Section 6.06 or Section 6.07, respectively, with the prior written consent of the School District, the Authority shall promptly appoint a successor Trustee. In the event the Authority shall for any reason whatsoever fail to appoint a successor Trustee within sixty (60) days following the delivery to the Trustee of the instrument described in Section 6.06 or within sixty (60) days following the receipt of notice by the Authority pursuant to Section 6.07, the Trustee may, at the expense of the Authority, apply to a court of competent jurisdiction to require the Authority to appoint a successor as provided in this Section 6.08 and for the appointment of a successor Trustee meeting the requirements of Section 6.01. Any such successor Trustee appointed by such court shall become the successor Trustee hereunder notwithstanding any action by the Authority purporting to appoint a successor Trustee following the expiration of such sixty (60)-day period.

Section 6.09. Merger or Consolidation. Any financial institution into which the Trustee may be merged or converted or with which it may be consolidated or any financial institution resulting from any merger, conversion or consolidation to which it shall be a party or any financial institution to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided that such company shall meet the requirements set forth in Section 6.01, shall be the successor to the Trustee and vested with all of the title to the trust estate and all of the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

Section 6.10. Concerning any Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Authority an instrument in writing accepting such appointment hereunder and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the request of the Authority or of the Trustee's successor, execute and

deliver an instrument transferring to such successor all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as the Trustee hereunder to its successor. Should any instrument in writing from the Authority be required by any successor Trustee for more fully and certainly vesting in such successor the estate, rights, powers and duties hereby vested or intended to be vested in the predecessor Trustee, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Authority.

Section 6.11. Appointment of Co-Trustee. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the law of the State) denying or restricting the right of banking corporations or associations to transact business as Trustee in such jurisdiction. It is recognized that in the case of litigation under this Indenture, and in particular in case of the enforcement of the rights of the Trustee on default, or in the case that the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee or hold title to the properties, in trust, as herein granted, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional individual or institution as a separate trustee or co-trustee. The following provisions of this Section 6.11 are included to that end.

In the event that the Trustee appoints an additional individual or institution as a separate trustee or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vested in such separate trustee or co-trustee but only to the extent necessary to enable such separate trustee or co-trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate trustee or co-trustee shall run to and be enforceable by either of them.

Should any instrument in writing from the Authority be required by the separate trustee or co-trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to it such properties, rights, powers, trusts, duties and obligations, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Authority. In case any separate trustee or co-trustee, or a successor to either, shall become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate trustee or co-trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new trustee or successor to such separate trustee or co-trustee. The Trustee shall not be liable for the acts or omissions of any separate trustee or co-trustee.

Section 6.12. Indemnification; Limited Liability of Trustee. The Authority covenants and agrees to indemnify and save the Trustee and its officers, directors, agents and employees, harmless from and against any loss, expense and liabilities which it may incur arising out of or in the exercise and performance of its powers and duties hereunder, including the costs and expenses of defending against any claim of liability (including the allocated costs and disbursements of in-house counsel), but excluding any and all losses, expenses and liabilities which are due to the negligence or intentional misconduct of the Trustee, its officers, director, agents or employees. No provision in this Indenture shall require the Trustee to risk or expend its

own funds or otherwise incur any financial liability hereunder if it shall have reasonable grounds for believing repayment of such funds or adequate indemnity against such liability or risk is not assured to it. The Trustee shall not be liable for any action taken or omitted to be taken by it in accordance with the direction of the Owners of at least twenty-five percent (25%) in aggregate principal amount of Bonds Outstanding (determined in accordance with Section 9.16) relating to the time, method and place of conducting any proceeding or remedy available to the Trustee under this Indenture. The obligations of the Authority under this Section shall survive the resignation or removal of the Trustee under this Indenture and the defeasance of the Bonds.

Section 6.13. No Liability for Authority Performance. The Trustee shall have no liability or obligation to the Bond Owners with respect to the payment of Debt Service by the Authority or with respect to the observance or performance by the Authority of the other conditions, covenants and terms contained herein, or with respect to the investment of any moneys in any fund or account established, held or maintained by the Authority pursuant to this Indenture or otherwise.

ARTICLE VII

MODIFICATION AND AMENDMENT OF THE INDENTURE

Section 7.01. Amendment Hereof. This Indenture and the rights and obligations of the Authority and of the Owners of the Bonds may be modified or amended at any time by a Supplemental Indenture which shall become binding upon its execution, without consent of any Bond Owners, to the extent permitted by law but only for any one or more of the following purposes:

(a) to add to the covenants and agreements of the Authority contained in this Indenture, other covenants and agreements hereafter to be observed, to pledge or assign additional security for the Bonds (or any portion thereof), or to surrender any right or power herein reserved to or conferred upon the Authority;

(b) to make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision, contained in this Indenture, or in any other respect whatsoever, as the Authority may deem necessary or desirable, provided that in the opinion of Bond Counsel filed with the Authority and the Trustee such modification or amendment does not materially adversely affect the interests of the Bond Owners;

(c) to modify, amend or supplement this Indenture in such manner as to permit the qualification of this Indenture under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect, and to add such other terms, conditions and provisions as may be permitted by said act or similar federal statute;

(d) to amend any provision hereof relating to the Tax Code, to any extent whatsoever, but only if and to the extent that, in the opinion of Bond Counsel filed with the Authority and the Trustee, such amendment will not adversely affect the exclusion from gross income of interest on any of the Bonds under the Tax Code; or

(e) to issue any Parity Bonds for the purpose of defeasing Bonds pursuant to Section 2.11 hereof.

Except as set forth in the preceding paragraph of this Section 7.01, this Indenture and the rights and obligations of the Authority and of the Owners of the Bonds may only be modified or amended at any time by a Supplemental Indenture which shall become binding when the written consents of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding (determined in accordance with Section 9.16). Notwithstanding any provision herein to the contrary, no modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Authority to pay the principal, interest or redemption premium at the time and place and at the rate and in the currency provided therein of any Bond without the express written consent of the Owner of such Bond, (b) reduce the percentage of Bonds required for the written consent to any such amendment or modify of any of the rights of the Owners of the Bonds or (c) without its written consent thereto, modify any of the rights or obligations of the Trustee.

Section 7.02. Effect of Supplemental Indenture. From and after the time any Supplemental Indenture becomes effective pursuant to this Article VII, this Indenture shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations of the parties hereto or thereto and all Owners of Outstanding Bonds, as the case may be, shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 7.03. Endorsement or Replacement of Bonds After Amendment. After the effective date of any action taken as hereinabove in this Article VII provided, the Authority may determine that the Bonds shall bear a notation, by endorsement in form approved by the Authority, as to such action, and in that case upon demand of the Owner of any Bond Outstanding at such effective date and presentation of his or her Bond for that purpose at the Trust Office of the Trustee, a suitable notation as to such action shall be made on such Bond. If the Authority shall so determine, new Bonds so modified as, in the opinion of the Authority, shall be necessary to conform to such action shall be prepared and executed, and in that case, upon demand of the Owner of any Bond Outstanding at such effective date, such new Bonds shall be exchanged at the Trust Office of the Trustee, without cost to any Bond Owner, for Bonds then Outstanding, upon surrender of such Outstanding Bonds.

Section 7.04. Amendment by Mutual Consent. The provisions of this Article VII shall not prevent any Bond Owner from accepting any amendment as to the particular Bond held by him or her, provided that due notation thereof is made on such Bond.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES OF BOND OWNERS

Section 8.01. Events of Default. The following events shall be Events of Default hereunder:

(a) Default in the due and punctual payment of the principal of any Bond or District Bond when and as the same shall become due and payable, whether at maturity as therein provided, by proceedings for redemption or otherwise.

(b) Default in the due and punctual payment of any installment of interest on any Bond or District Bond when and as such interest installment shall become due and payable.

(c) Failure by the Authority to observe and perform any of the covenants, or conditions on its part in this Indenture or in the Bonds contained, other than as referred to in the preceding clauses (a) and (b), for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, has been given to the Authority by the Trustee; provided, however, that if in the reasonable opinion of the Authority the failure stated in such notice can be corrected, but not within such thirty (30) day period, the Trustee shall not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the Authority within such thirty (30) day period and diligently pursued until such failure is corrected; provided that no such extension shall exceed thirty (30) days.

(d) The filing by the Authority of a petition or answer seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States, or if a court of competent jurisdiction shall approve a petition, filed with or without the consent of the Authority, seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States, or if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Authority or of the whole or any substantial part of its property.

Section 8.02. Remedies Upon Event of Default. If any Event of Default shall occur, and in each and every such case during the continuance of such Event of Default, the Trustee may pursue any available remedy at law or in equity to enforce the payment of the principal of and interest and premium (if any) on the Bonds, and to enforce any rights of the Trustee under or with respect to this Indenture.

If an Event of Default shall have occurred and be continuing and if requested so to do by the Owners of a majority in aggregate principal amount of Outstanding Bonds (determined in accordance with Section 9.16) and indemnified as provided in Section 6.02(l), the Trustee shall exercise such one or more of such available remedies as the Trustee as directed in writing by the Bond Owners.

No such remedy is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy available to the Trustee or to the Bond Owners or now or hereafter existing at law or in equity.

No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or acquiescence therein, and such right or power may be exercised from time to time as often as may be deemed expedient.

Section 8.03. Application of Revenues and Other Funds After Default. All amounts received by the Trustee pursuant to any right given or action taken by the Trustee under the provisions of this Indenture shall be applied by the Trustee in the following order upon presentation of the several Bonds, and the stamping thereon of the amount of the payment if only partially paid, or upon the surrender thereof if fully paid -

First, to the payment, in the order of priority specified in Section 6.03, of the fees, costs and expenses of the Trustee, including reasonable compensation to its agents, attorneys and counsel; and

Second, to the payment of the whole amount of interest on and principal of the Bonds then due and unpaid, with interest on overdue installments of principal and interest to the extent permitted by law at the net effective rate of interest then borne by the Outstanding Bonds; *provided, however*, that in the event such amounts shall be insufficient to pay in full the full amount of such interest, amounts shall be applied in the following order of priority:

(a) first, to the payment of all installments of interest on the Bonds then due and unpaid, on a pro rata basis, in the event that the available amounts are insufficient to pay all such interest in full,

(b) second, to the payment of principal of all of the Bonds then due and payable, such that the unpaid principal reflects, to the furthest extent possible, the unpaid portion of the District Bonds, in the event that the available amounts are insufficient to pay principal in full, and

(c) third, to the payment of interest on overdue installments of principal and interest on the Bonds, on a pro rata basis, in the event that the available amounts are insufficient to pay all such interest in full.

Section 8.04. Power of Trustee to Control Proceedings. In the event that the Trustee, upon the happening of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, pursuant to its duties hereunder, whether upon its own discretion or upon the request of the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding (determined in accordance with Section 9.06), it shall have full power, in the exercise of its discretion for the best interests of the Owners of the Bonds, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; *provided, however*, that the Trustee shall not, unless there no longer continues an Event of Default, discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, if at the time there has been filed with it a written request signed by the Owners of a majority in aggregate principal amount of the Outstanding Bonds (determined in accordance with Section 9.16) opposing such discontinuance, withdrawal, compromise,

settlement or other disposal of such action. Any suit, action or proceeding which any Owner of Bonds shall have the right to bring to enforce any right or remedy hereunder may be brought by the Trustee for the equal benefit and protection of all Owners of Bonds similarly situated and the Trustee is hereby appointed (and the successive respective Owners of the Bonds issued hereunder, by taking and holding the same, shall be conclusively deemed so to have appointed it) the true and lawful attorney-in-fact of the respective Owners of the Bonds for the purpose of bringing any such suit, action or proceeding and to do and perform any and all acts and things for and on behalf of the respective Owners of the Bonds as a class or classes, as may be necessary or advisable in the opinion of the Trustee as such attorney-in-fact.

Section 8.05. Appointment of Receivers. Upon the occurrence of an Event of Default hereunder, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bond Owners under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Revenues and other amounts pledged hereunder, pending such proceedings, with such powers as the court making such appointment shall confer.

Section 8.06. Non-Waiver. Nothing in this Article VIII or in any other provision of this Indenture, or in the Bonds, shall affect or impair the obligation of the Authority, which is absolute and unconditional, to pay the interest on and principal of the Bonds to the respective Owners of the Bonds at the respective dates of maturity, as herein provided, out of the Revenues and other moneys herein pledged for such payment.

A waiver of any default or breach of duty or contract by the Trustee or any Bond Owners shall not affect any subsequent default or breach of duty or contract, or impair any rights or remedies on any such subsequent default or breach. No delay or omission of the Trustee or any Owner of any of the Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy conferred upon the Trustee or Bond Owners by the Bond Law or by this Article VIII may be enforced and exercised from time to time and as often as shall be deemed expedient by the Trustee or the Bond Owners, as the case may be.

Section 8.07. Rights and Remedies of Bond Owners. No Owner of any Bond issued hereunder shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Indenture, unless (a) such Owner shall have previously given to the Trustee written notice of the occurrence of an Event of Default; (b) the Owners of a majority in aggregate principal amount of all the Bonds then Outstanding (determined in accordance with Section 9.16) shall have made written request upon the Trustee to exercise such remedy or to institute such action, suit or proceeding in its own name; (c) said Owners shall have tendered to the Trustee indemnity reasonably acceptable to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or failed to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or failure are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of Bonds of any remedy hereunder; it being understood and intended that no one or more Owners of Bonds shall have any

right in any manner whatever by his, her or their action to enforce any provision of this Indenture, except in the manner herein provided, and that all proceedings at law or in equity to enforce any provision of this Indenture shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Owners of the Outstanding Bonds.

The right of any Owner of any Bond to receive payment of the principal of and interest and premium (if any) on such Bond as herein provided or to institute suit for the enforcement of any such payment, shall not be impaired or affected without the written consent of such Owner, notwithstanding the foregoing provisions of this Section or any other provision of this Indenture.

Section 8.08. Termination of Proceedings. In case the Trustee shall have proceeded to enforce any right under this Indenture by the appointment of a receiver or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case, the Authority, the Trustee and the Bond Owners shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Limited Liability of Authority. Notwithstanding anything in this Indenture contained, the Authority shall not be required to advance any moneys derived from any source of income other than the Revenues for the payment of the principal of or interest on the Bonds, or any premiums upon the redemption thereof, or for the performance of any covenants herein contained (except to the extent any such covenants are expressly payable hereunder from the Revenues or otherwise from amounts payable under the District Bonds). The Authority may, however, advance funds for any such purpose provided that such funds are derived from a source legally available for such purpose, and may be used by the Authority for such purpose without incurring indebtedness.

The Bonds shall be revenue bonds, payable exclusively from the Revenues and other funds as in this Indenture provided. The general fund of the Authority is not liable, and the credit of the Authority is not pledged, for the payment of the interest and premium (if any) on or principal of the Bonds. The Owners of the Bonds shall never have the right to compel the forfeiture of any property of the Authority. The principal of and interest on the Bonds, and any premiums upon the redemption of any thereof, shall not be a legal or equitable pledge, charge, lien or encumbrance upon any property of the Authority or upon any of its income, receipts or revenues except the Revenues and other funds pledged to the payment thereof as in this Indenture provided.

Section 9.02. Benefits of Indenture Limited to Parties. Nothing in this Indenture, expressed or implied, is intended to give to any person other than the Authority, the Trustee, the School District and the Owners of the Bonds, any right, remedy or claim under or by reason of this Indenture. Any covenants, stipulations, promises or agreements in this Indenture contained

by and on behalf of the Authority shall be for the sole and exclusive benefit of the Authority, the Trustee, the School District, and the Owners of the Bonds.

Section 9.03. Discharge of Indenture. If the Authority shall pay and discharge any or all of the Outstanding Bonds in any one or more of the following ways:

(a) by well and truly paying or causing to be paid the principal of and interest and premium (if any) on such Bonds, as and when the same become due and payable;

(b) by irrevocably depositing with the Trustee, in trust, at or before maturity, money which, together with the available amounts then on deposit in the funds and accounts established with the Trustee pursuant to this Indenture and the Fiscal Agent Agreements, is fully sufficient to pay such Bonds, including all principal, interest and redemption premiums; or

(c) by irrevocably depositing with the Trustee, in trust, Defeasance Obligations in such amount as Bond Counsel or an Independent Accountant shall determine will, together with the interest to accrue thereon and available moneys then on deposit in the funds and accounts established with the Trustee pursuant to this Indenture, be fully sufficient to pay and discharge the indebtedness of such Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates;

and if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been mailed pursuant to Section 2.02(d) or provision satisfactory to the Trustee shall have been made for the mailing of such notice, then, at the Request of the Authority, and notwithstanding that any of such Bonds shall not have been surrendered for payment, the pledge of the Revenues and other funds provided for in this Indenture with respect to such Bonds, and all other pecuniary obligations of the Authority under this Indenture with respect to all such Bonds, shall cease and terminate, except only the obligation of the Authority to pay or cause to be paid to the Owners of such Bonds not so surrendered and paid all sums due thereon from amounts set aside for such purpose as aforesaid, and all expenses and costs of the Trustee. Any funds held by the Trustee following any payment or discharge of the Outstanding Bonds pursuant to this Section 9.03, which are not required for said purposes, shall be paid over to the Authority. To accomplish defeasance, the Authority shall cause to be delivered (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant ("Accountant") verifying the sufficiency of the escrow established to pay the Bonds in full on the maturity or redemption date ("Escrow Verification"), (ii) an Escrow Deposit Agreement, (iii) an opinion of nationally recognized bond counsel to the effect that the Bonds are no longer "Outstanding" under the Indenture and (iv) a certificate of discharge of the Trustee with respect to the Bonds; each Escrow Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Authority and Trustee. Bonds shall be deemed Outstanding under the Indenture unless and until they are in fact paid and retired or the above criteria are met.

Section 9.04. Successor Is Deemed Included in All References to Predecessor. Whenever in this Indenture or any Supplemental Indenture the Authority is named or referred to, such reference shall be deemed to include the successor to the powers, duties and functions, with respect to the management, administration and control of the affairs of the Authority, that are presently vested in the Authority, and all the covenants, agreements and provisions contained in

this Indenture by or on behalf of the Authority shall bind and inure to the benefit of its successors whether so expressed or not.

Section 9.05. Content of Certificates. Every certificate with respect to compliance, condition or covenant provided for in this Indenture shall include (a) a statement that the person or persons making or giving such certificate has/have read such covenant or condition and the definitions herein relating thereto; (b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate are based; (c) a statement that, in the opinion of the signers, they have made or caused to be made such examination or investigation as is necessary to enable them to express an informed opinion as to whether or not such covenant or condition has been complied with; and (d) a statement as to whether, in the opinion of the signers, such condition or covenant has been complied with.

Any such certificate made or given by an officer of the Authority may be based, insofar as it relates to legal matters, upon a certificate or opinion of or representations by counsel, unless such officer knows that the certificate or opinion or representations with respect to the matters upon which his or her certificate may be based, as aforesaid, are erroneous, or in the exercise of reasonable care should have known that the same were erroneous. Any such certificate or opinion or representation made or given by counsel may be based, insofar as it relates to factual matters, on information which is in the possession of the Authority, or upon the certificate or opinion of or representations by an officer or officers of the Authority, unless such counsel knows that the certificate or opinion or representations with respect to the matters upon which his or her certificate, opinion or representation may be based, as aforesaid, are erroneous, or in the exercise of reasonable care should have known that the same were erroneous.

Section 9.06. Execution of Documents by Bond Owners. Any request, consent or other instrument required by this Indenture to be signed and executed by Bond Owners may be in any number of concurrent writings of substantially similar tenor and may be signed or executed by such Bond Owners in person or by their agent or agents duly appointed in writing. Proof of the execution of any such request, consent or other instrument or of a writing appointing any such agent, shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee and of the Authority if made in the manner provided in this Section 9.06.

The fact and date of the execution by any person of any such request, consent or other instrument or writing may be proved by the affidavit of a witness of such execution or by the certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof to take acknowledgments of deeds, certifying that the person signing such request, consent or other instrument or writing acknowledged to him or her the execution thereof.

The ownership of the Bonds shall be proved by the Registration Books. Any request, consent or vote of the Owner of any Bond shall bind every future Owner of the same Bond and the Owner of any Bond issued in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the Authority in pursuance of such request, consent or vote. In lieu of obtaining any demand, request, direction, consent or waiver in writing, the Trustee may call and hold a meeting of the Bond Owners upon such notice and in accordance

with such rules and obligations as the Trustee considers fair and reasonable for the purpose of obtaining any such action.

Section 9.07. Disqualified Bonds. In determining whether the Owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are owned or held by or for the account of the School District or the Authority (but excluding Bonds held in any employees' retirement fund) shall be disregarded and deemed not to be Outstanding for the purpose of any such determination; *provided, however*, only Bonds which the Trustee knows to be so owned or held shall be disregarded.

Section 9.08. Waiver or Personal Liability. No officer, agent or employee of the Authority shall be individually or personally liable for the payment of the interest on or principal of the Bonds; but nothing herein contained shall relieve any such officer, agent or employee from the performance of any official duty provided by law.

Section 9.09. Partial Invalidity. If any one or more of the covenants or agreements, or portions thereof, provided in this Indenture on the part of the Authority (or of the Trustee) to be performed should be contrary to law, then such covenant or covenants, such agreement or agreements, or such portions thereof, shall be null and void and shall be deemed separable from the remaining covenants and agreements or portions thereof and shall in no way affect the validity of this Indenture or of the Bonds; and the Bond Owners shall retain all rights and benefits accorded to them under the Bond Law or any other applicable provisions of law. The Authority hereby declares that it would have entered into this Indenture and each and every other section, paragraph, subdivision, sentence, clause and phrase hereof and would have authorized the issuance of the Bonds pursuant hereto irrespective of the fact that any one or more sections, paragraphs, subdivisions, sentences, clauses or phrases of this Indenture or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

Section 9.10. Destruction of Canceled Bonds. Whenever in this Indenture provision is made for the surrender to the Authority of any Bonds which have been paid or canceled pursuant to the provisions of this Indenture, the Trustee shall destroy such Bonds and furnish to the Authority a certificate of such destruction.

Section 9.11. Funds and Accounts. Any fund or account required by this Indenture to be established and maintained by the Authority or the Trustee may be established and maintained in the accounting records of the Authority or the Trustee, as the case may be, either as a fund or an account, and may, for the purpose of such records, any audits thereof and any reports or statements with respect thereto, be treated either as a fund or as an account. All such records with respect to all such funds and accounts held by the Authority shall at all times be maintained in accordance with generally accepted accounting principles and all such records with respect to all such funds and accounts held by the Trustee shall be at all times maintained in accordance with corporate trust industry practices.

Section 9.12. Payment on Business Days. Whenever in this Indenture any amount is required to be paid on a day which is not a Business Day, such payment shall be required to be

made on the Business Day immediately following such day, provided that interest shall not accrue from and after such day.

Section 9.13. Notices. Any notice, request, complaint, demand or other communication under this Indenture shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or by telecopy or other form of telecommunication, at its number set forth below. Notice shall be effective either (a) upon transmission by telecopy or other form of telecommunication, (b) forty-eight (48) hours after deposit in the United States mail, postage prepaid, or (c) in the case of personal delivery to any person or the Trustee, upon actual receipt. The Authority, the School District or the Trustee may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder.

If to the Authority: Riverside Unified School District Financing Authority
 3380 14th Street
 Riverside, CA 92501
 Attn: _____

If to the School
District: Riverside Unified School District
 3380 14th Street
 Riverside, CA 92501
 Attn: _____

If to the Trustee: U.S. Bank National Association
 Global Corporate Trust Services
 633 West Fifth Street, 24th Floor
 LM-CA-T24T
 Los Angeles, CA 90071
 Reference: RUSD PFA 2015

Section 9.14. Unclaimed Moneys. Anything in this Indenture to the contrary notwithstanding, any moneys held by the Trustee in trust for the payment and discharge of any of the Bonds which remain unclaimed for two (2) years after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Trustee at such date, or for two (2) years after the date of deposit of such moneys if deposited with the Trustee after said date when such Bonds become due and payable, shall, be paid by the Trustee to the Authority, as its absolute property and free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Bond Owners shall look only to the Authority for the payment of such Bonds; *provided, however,* that before being required to make any such payment to the Authority, the Trustee shall, at the expense of the Authority, cause to be mailed to the Owners of all such Bonds, at their respective addresses appearing on the Registration Books, a notice that said moneys remain unclaimed and that, after a specific date stated in said notice, which date shall not be less than thirty (30) days after the date of mailing of such notice, the balance of such moneys then unclaimed will be paid to the Authority.

Section 9.15. Governing Law. This Indenture shall be construed and governed in accordance with the laws of the State.

Section 9.16. Determination of Percentage of Bond Owners. Whenever in this Indenture, direction or other action is required or permitted to be given or taken by a percentage of the Owners of an aggregate principal amount of Outstanding Bonds (including by the Owners of a majority in aggregate principal amount of the Outstanding Bonds), such percentage shall be calculated on the basis of the principal amount of the Outstanding Bonds.

IN WITNESS WHEREOF, the RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY has caused this Indenture to be signed in its name by the Chairman and Secretary of the Board of Directors, and U.S. BANK NATIONAL ASSOCIATION, in acknowledgment of its acceptance of the trust created hereunder, has caused this Indenture to be signed in its corporate name by its authorized officer, all as of the day and year first above written.

RIVERSIDE UNIFIED SCHOOL DISTRICT
FINANCING AUTHORITY

By: _____
Chairman

ATTEST:

Secretary

U.S. BANK NATIONAL ASSOCIATION, as
Trustee

By: _____
Authorized Signatory

EXHIBIT A

FORM OF BOND

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AS DEFINED IN THE INDENTURE) TO THE TRUSTEE FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY BOND AUTHENTICATED AND DELIVERED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

No. _____ \$ _____

**RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY
2015 SPECIAL TAX REVENUE REFUNDING BONDS**

<u>RATE OF INTEREST</u>	<u>MATURITY DATE</u>	<u>ORIGINAL ISSUE DATE</u>	<u>CUSIP</u>
_____ %		January ___, 2015	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

THE RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY, a joint exercise of powers authority organized and existing under the laws of the State of California (the "Authority"), for value received, hereby promises to pay (but only out of the Revenues and other moneys hereinafter referred to) to the Registered Owner identified above or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above in lawful money of the United States; and to pay interest thereon at the Rate of Interest specified above in like money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless this Bond is authenticated on or before an Interest Payment Date and after the fifteenth calendar day of the month preceding such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or unless this Bond is authenticated on or prior to August 15, 2015, in which event it shall bear interest from the Original Issue Date specified above; *provided, however*, that if, at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest hereon has previously been paid or made available for payment, payable semiannually on March 1 and September 1 in each year, commencing

September 1, 2015 (the “Interest Payment Dates”) until payment of such Principal Amount in full.

The Principal Amount hereof is payable upon presentation hereof at the principal corporate trust office (the “Trust Office”) of U.S. Bank National Association, as trustee (the “Trustee”), in St. Paul, Minnesota, or such other place as may be designated by the Trustee. Interest hereon is payable by check of the Trustee mailed by first class mail on each Interest Payment Date to the Registered Owner hereof at the address of the Registered Owner as it appears on the Registration Books of the Trustee as of the fifteenth calendar day of the month preceding such Interest Payment Date; except that at the written request of the owner of at least \$1,000,000 in aggregate principal amount of outstanding Bonds filed with the Trustee prior to the fifteenth calendar day of the month preceding any Interest Payment Date, interest on such Bonds shall be paid to such owner on such Interest Payment Date by wire transfer of immediately available funds to an account in the United States designated in such written request.

This Bond is one of a duly authorized issue of bonds of the Authority designated the “Riverside Unified School District Financing Authority 2015 Special Tax Revenue Refunding Bonds” (the “Bonds”), limited in principal amount to \$_____ secured by an Indenture of Trust dated as of January 1, 2015 (the “Indenture”) by and between the Authority and the Trustee. Reference is hereby made to the Indenture and all indentures supplemental thereto for a description of the rights thereunder of the owners of the Bonds, of the nature and extent of the Revenues (as that term is defined in the Indenture), of the rights, duties and immunities of the Trustee and of the rights and obligations of the Authority thereunder; and all of the terms of the Indenture are hereby incorporated herein and constitute a contract between the Authority and the Registered Owner hereof, and to all of the provisions of which Indenture the Registered Owner hereof, by acceptance hereof, assents and agrees.

The Bonds are authorized to be issued pursuant to the provisions of the Marks-Roos Local Bond Pooling Act of 1985, constituting Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the “Act”). The Bonds are special obligations of the Authority and, as and to the extent set forth in the Indenture, are payable solely from and secured by a first lien upon and pledge of the Revenues and certain other moneys held by the Trustee as provided in the Indenture. All of the Bonds are equally secured by a pledge of, and charge and lien upon, all of the Revenues and such other moneys, and the Revenues and such other moneys constitute a trust fund for the security and payment of the principal of and interest and premium (if any) on the Bonds. The full faith and credit of the Authority is not pledged for the payment of the principal of or interest or redemption premium (if any) on the Bonds. The Bonds are not secured by a legal or equitable pledge of, or charge, lien or encumbrance upon, any of the property of the Authority or any of its income or receipts, except the Revenues and such other moneys held by the Trustee as provided in the Indenture.

The Bonds have been issued to provide funds to purchase bonds (the “District Bonds”) of Community Facilities District No. [to come] of Riverside Unified School District (the “School District”), all as more particularly described in the Indenture. The District Bonds have been issued by the School District pursuant to Fiscal Agent Agreements between the School District

and U.S. Bank National Association, as fiscal agent. Amounts payable by the School District on the District Bonds have been assigned to the Trustee under the Indenture, and such amounts constitute the principal source of the Revenues which are pledged to the payment of the Bonds.

The Bonds maturing on or after September 1, 2025 are subject to redemption prior to their stated maturity dates on March 1, 2025, and on any date thereafter, as selected among maturities by the Authority (and by lot within any one maturity), as a whole or in part, in integral multiples of \$5,000, at the option of the Authority from moneys derived by the Authority from any source, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest to the date of redemption.

The Bonds are subject to mandatory redemption prior to their stated maturity dates on any Interest Payment Date, as selected among maturities by the Authority (and by lot within any one maturity), in integral multiples of \$5,000, from moneys derived by the Authority from mandatory redemption of the District Bonds from Special Tax Prepayments, at redemption prices (expressed as percentages of the principal amounts of the Bonds to be redeemed), together with accrued interest to the date of redemption, as follows:

<u>Redemption Dates</u>	<u>Redemption Prices</u>
September 1, 2015 through September 1, 2022	103%
March 1, 2023 and September 1, 2023	102%
March 1, 2024 and September 1, 2024	101%
March 1, 2025 and each Interest Payment Date thereafter	100%

The Bonds that mature on September 1, _____ are subject to mandatory sinking fund redemption on September 1, _____, and each September 1 thereafter to maturity as described in the Indenture, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date of redemption, without premium, from sinking fund payments, as provided in the Indenture.

The Trustee on behalf and at the expense of the Authority shall mail (by first class mail) notice of any redemption to the respective owners of any Bonds designated for redemption, at their respective addresses appearing on the Registration Books maintained by the Trustee, to the Securities Depositories and to one or more Information Services (as such terms are defined in the Indenture), at least thirty (30) but not more than sixty (60) days prior to the date fixed for redemption; *provided, however*, that neither failure to receive any such notice so mailed nor any defect therein shall affect the validity of the proceedings for the redemption of such Bonds or the cessation of the accrual of interest on the Bonds to be redeemed from and after the date fixed for redemption. Such notice shall state the date of the notice, the redemption date, the redemption place and the redemption price and shall designate the CUSIP numbers, the serial numbers of each maturity or maturities (except that in the event of redemption of all of the Bonds of any maturity, the Trustee shall designate such maturity without referencing each individual Bond number) of the Bonds to be redeemed, and shall require that such Bonds be then surrendered at the Trust Office of the Trustee, or such other place as may be designated by the Trustee, for redemption at the redemption price, giving notice also that further interest on such Bonds will not accrue after from and after the redemption date.

The Bonds are issuable as fully registered Bonds without coupons in denominations of \$5,000 or any integral multiple thereof. Subject to the limitations and upon payment of the charges, if any, provided in the Indenture, Bonds may be exchanged at the Trust Office of the Trustee for a like aggregate principal amount and maturity of Bonds of other authorized denominations.

This Bond is transferable by the Registered Owner hereof, in person or by his or her attorney duly authorized in writing, at the Trust Office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Bond. Upon such transfer, a new Bond or Bonds, of authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange for this Bond. The Authority and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Authority and the Trustee shall not be affected by any notice to the contrary.

The Indenture and the rights and obligations of the Authority and of the owners of the Bonds and of the Trustee may be modified or amended from time to time and at any time in the manner, to the extent, and upon the terms provided in the Indenture; *provided* that no such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Authority to pay the principal, interest or redemption premium at the time and place and at the rate and in the currency provided therein of any Bond without the express written consent of the owner of such Bond, (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification, or (c) without its written consent thereto, modify any of the rights or obligations of the Trustee, all as more fully set forth in the Indenture.

It is hereby certified that all things, conditions and acts required to exist, to have happened and to have been performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by the Constitution and laws of the State of California and by the Act, and that the amount of this Bond, together with all other indebtedness of the Authority, does not exceed any limit prescribed by the Constitution or laws of the State of California.

This Bond shall not be entitled to any benefit under the Indenture, or become valid or obligatory for any purpose, until the certificate of authentication hereon shall have been manually executed by the Trustee.

IN WITNESS WHEREOF, the Authority has caused this Bond to be executed in its name and on its behalf by the facsimile signatures of its Chairman and Secretary all as of the Original Issue Date specified above.

RIVERSIDE UNIFIED SCHOOL DISTRICT
FINANCING AUTHORITY

By: _____
Chairman

ATTEST:

Secretary

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture and registered on the Registration Books.

Dated: January __, 2015

U.S. BANK NATIONAL ASSOCIATION, as
Trustee

By: _____
Authorized Signatory

ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto _____

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within Bond and do(es) hereby irrevocably constitute and appoint _____ attorney, to transfer the same on the books of the Trustee, with full power of substitution in the premises.

Dated: _____

Note: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

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.

BOND PURCHASE AGREEMENT

**[\$[PRINCIPAL AMOUNT]]
RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY
2015 SPECIAL TAX REVENUE REFUNDING BONDS**

[Pricing Date], 2015

Riverside Unified School District Financing Authority
3380 14th Street
Riverside, CA 92501

Ladies and Gentlemen:

Stifel, Nicolaus & Company, Incorporated (the “Underwriter”), acting not as a fiduciary or agent for you, but on behalf of itself, offers to enter into this Bond Purchase Agreement (this “Purchase Agreement”) with the Riverside Unified School District Financing Authority (the “Authority”) which will be binding upon the Authority and the Underwriter upon the acceptance hereof by the Authority. This offer is made subject to its acceptance by the Authority by execution of this Purchase Agreement and its delivery to the Underwriter on or before 8:00 p.m., California time, on the date hereof and, if not so accepted, will be subject to withdrawal by the Underwriter upon written notice delivered to the Authority at any time prior to the acceptance hereof by the Authority. All terms used herein and not otherwise defined shall have the respective meanings given to such terms in the Indenture (as hereinafter defined).

Section 1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, warranties and agreements hereinafter set forth, the Underwriter hereby agrees to purchase from the Authority for offering to the public, and the Authority hereby agrees to sell to the Underwriter for such purpose, all (but not less than all) of the above-captioned bonds (the “Bonds”). The purchase price for the Bonds shall be \$_____ (being the aggregate principal amount thereof (\$[Principal Amount]), less an underwriter’s discount of \$_____, and plus a net original issue premium of \$_____).

Section 2. Description of the Bonds. The Bonds shall be issued pursuant to an Indenture of Trust (the “Indenture”), dated as of [Closing Month] 1, 2015, by and between the Authority and U.S. Bank National Association, as trustee (the “Trustee”), and pursuant to the Marks-Roos Local Bond Pooling Act (the “Bond Law”) and a resolution of the Authority, adopted on [Board Date], 2015 (the “Bond Resolution”). The Bonds shall be as described in the Indenture and the Official Statement, dated the date hereof, relating to the Bonds (which, together with all exhibits and appendices included therein or attached thereto and such amendments or supplements thereto which shall be approved by the Underwriter, is referred to in this Purchase Agreement as the “Official Statement”).

The proceeds of the Bonds shall be applied by the Authority to finance the purchase of the following issues of Bonds (the “District Bonds”):

(a) \$_____ initial principal amount of Community Facilities District No. 10 of Riverside Unified School District 2015 Special Tax Refunding Bonds (the “CFD No. 10 Bonds”) being issued by the School District on behalf of Community Facilities District No. 10 (“CFD No. 10”)

to refund the outstanding [\$1,510,000] Community Facilities District No. 10 of Riverside Unified School District 2005 Special Tax Bonds, Series A (the “Prior CFD No. 10 Bonds”).

(b) \$_____ initial principal amount of Community Facilities District No. 13 of Riverside Unified School District 2015 Special Tax Refunding Bonds (Improvement Area No. 1) (the “CFD No. 13-1 Bonds”) being issued by the School District on behalf of Community Facilities District No. 13 (“CFD No. 13”) to refund the outstanding [\$8,000,000] Community Facilities District No. 13 of Riverside Unified School District 2005 Special Tax Bonds (Improvement Area No. 1) (the “Prior CFD No. 13-1 Bonds”).

(c) \$_____ initial principal amount of Community Facilities District No. 14 of Riverside Unified School District 2015 Special Tax Refunding Bonds (the “CFD No. 14 Bonds”) being issued by the School District on behalf of Community Facilities District No. 14 (“CFD No. 14”) to refund the outstanding [\$6,560,000] Community Facilities District No. 14 of Riverside Unified School District 2005 Special Tax Bonds, Series A (the “Prior CFD No. 14 Bonds”).

(d) \$_____ initial principal amount of Community Facilities District No. 15 (Mission Ranch) of Riverside Unified School District 2015 Special Tax Refunding Bonds (Improvement Area No. 2) (the “CFD No. 15-2 Bonds”) being issued by the School District on behalf of Community Facilities District No. 15 (“CFD No. 15”) to refund the outstanding [\$20,155,000] Community Facilities District No. 15 (Mission Ranch) of Riverside Unified School District 2005 Special Tax Bonds, Series A (Improvement Area No. 2) (the “Prior CFD No. 15-2 Bonds”).

(e) \$_____ initial principal amount of Community Facilities District No. 17 (Aldea Village) of Riverside Unified School District 2015 Special Tax Refunding Bonds (the “CFD No. 17 Bonds”) being issued by the School District on behalf of Community Facilities District No. 17 (Aldea Village) (“CFD No. 17”) to refund the outstanding [\$2,910,000] Community Facilities District No. 17 (Aldea Village) of Riverside Unified School District 2005 Special Tax Bonds (the “Prior CFD No. 17 Bonds”).

(f) \$_____ initial principal amount of Community Facilities District No. 18 of Riverside Unified School District 2015 Special Tax Refunding Bonds (the “CFD No. 18 Bonds”) being issued by the School District on behalf of Community Facilities District No. 18 (“CFD No. 18”) to refund the outstanding [\$3,090,000] Community Facilities District No. 18 of Riverside Unified School District 2005 Special Tax Bonds (the “Prior CFD No. 18 Bonds”).

(g) \$_____ initial principal amount of Community Facilities District No. 21 of Riverside Unified School District 2015 Special Tax Refunding Bonds (Improvement Area No. 2) (the “CFD No. 21-2 Bonds”) being issued by the School District on behalf of Community Facilities District No. 21 (“CFD No. 21”) to refund the outstanding [\$3,305,000] Community Facilities District No. 21 of Riverside Unified School District 2007 Special Tax Bonds, Series A (Improvement Area No. 2) (the “Prior CFD No. 21-2 Bonds”).

(h) \$_____ initial principal amount of Community Facilities District No. 22 of Riverside Unified School District 2015 Special Tax Refunding Bonds (the “CFD No. 22 Bonds”) being issued by the School District on behalf of Community Facilities District No. 22 (“CFD No. 22”) to refund the outstanding [\$5,710,000] Community Facilities District No. 22 of Riverside Unified School District 2006 Special Tax Bonds (the “Prior CFD No. 22 Bonds”).

(i) \$_____ initial principal amount of Community Facilities District No. 24 of Riverside Unified School District 2015 Special Tax Refunding Bonds (the “CFD No. 24 Bonds”) being issued by the School District on behalf of Community Facilities District No. 24 (“CFD No. 24”) to refund the outstanding [\$5,985,000] Community Facilities District No. 24 of Riverside Unified School District 2006 Special Tax Bonds (the “Prior CFD No. 24 Bonds”).

Improvement Area 1 of CFD No. 13, Improvement Area 2 of CFD No. 15 and Improvement Area 2 of CFD No. 21 are referred to collectively as the “Improvement Areas.” CFD No. 10, CFD No. 14, CFD No. 17, CFD No. 18, CFD No. 22, CFD No. 24, Improvement Area No. 1 of CFD No. 13, Improvement Area No. 2 of CFD No. 15 and Improvement Area 2 of CFD No. 21 are collectively referred to as the “Taxing Jurisdictions.”

The CFD No. 10 Bonds, the CFD No. 13-1 Bonds, the CFD No. 14 Bonds, the CFD No. 15-2 Bonds, the CFD No. 17 Bonds, the CFD No. 18 Bonds, the CFD No. 21-2 Bonds, the CFD No. 22 Bonds and the CFD No. 24 Bonds are collectively referred to as the “District Bonds.”

The Prior CFD No. 10 Bonds, the Prior CFD No. 13-1 Bonds, the Prior CFD No. 14 Bonds, the Prior CFD No. 15-2 Bonds, the Prior CFD No. 17 Bonds, Prior CFD No. 18 Bonds, the Prior CFD No. 21-2 Bonds, the Prior CFD No. 22 Bonds and the Prior CFD No. 24 Bonds are collectively referred to as the “Prior Bonds.”

The District Bonds will be purchased by the Authority in accordance with a Bond Purchase Contract, dated the date hereof (the “District Bonds Bond Purchase Agreement”), by and between the Authority and the School District, on behalf of the applicable Taxing Jurisdictions.

Proceeds of the District Bonds will be used to fund a debt service reserve fund for the Bonds, pay the costs of issuing the Bonds and the District Bonds and refund the Prior Bonds in accordance with nine separate Escrow Agreements, each dated as of [Closing Month] 1, 2015 (the “Escrow Agreements”), by and between the School District and U.S. Bank National Association, as escrow agent (the “Escrow Agent”).

Section 3. Public Offering. The Underwriter agrees to make a bona fide public offering of all the Bonds initially at the public offering prices (or yields) set forth on Appendix A attached hereto and incorporated herein by reference. The Bonds will be subject to mandatory sinking fund redemption as set forth on Appendix A. Subsequent to the initial public offering, the Underwriter reserves the right to change the 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 set forth on Appendix A. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices. The Underwriter reserves the right to: (i) over-allot or effect transactions which stabilize or maintain the market price of the Bonds at levels above those that might otherwise prevail in the open market; and (ii) discontinue such stabilizing, if commenced, at any time without prior notice.

Section 4. Delivery of Official Statement. The Authority has delivered or caused to be delivered to the Underwriter prior to the execution of this Purchase Agreement or the first offering of the Bonds, whichever first occurs, copies of the Preliminary Official Statement relating to the Bonds (the “Preliminary Official Statement”). Such Preliminary Official Statement is the official statement deemed final by the Authority for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934 (the “Rule”) and approved for distribution by resolution of the Authority. The Authority previously

executed and delivered to the Underwriter a certification to such effect in the form attached hereto as Appendix B. . The Preliminary Official Statement and/or the Official Statement may be delivered in printed and/or electronic form to the extent permitted by applicable rules of the Municipal Securities Rulemaking Board (“MSRB”) and as may be agreed to by the Authority and the Underwriter. The Authority confirms that it does not object to distribution of the Preliminary Official Statement or the Official Statement in electronic form. A copy of the most recent Preliminary Official Statement sent to a potential purchaser shall be sent by first-class mail or electronically (or other equally prompt means) not later than the first business day following the day upon which each such request is received.

The Authority agrees to deliver to the Underwriter as many copies of the Official Statement dated the date hereof relating to the Bonds (as supplemented and amended from time to time, the “Final Official Statement”) as the Underwriter shall reasonably request as necessary to comply the Rule. The Authority agrees to deliver such Final Official Statements within seven (7) business days after the execution hereof, or such earlier date identified by the Underwriter to be necessary to allow the Underwriter to meet its obligations under the Rule and Rule G-32 of the MSRB. The Underwriter agrees to file the Final Official Statement with the MSRB on or as soon as practicable after the Closing Date (defined below). The Underwriter agrees to deliver a copy of the Final Official Statement to each of its customers purchasing Bonds no later than the settlement date of the transaction.

The Authority will undertake, pursuant to the Indenture and a continuing disclosure agreement (the “Continuing Disclosure Agreement”), to provide certain annual financial information and notices of the occurrence of certain events, if material. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Final Official Statement.

Section 5. The Closing. The Closing (as defined below) shall take place at 8:00 a.m., California time, on [Closing Date], 2015, or at such other time or on such earlier or later business day as shall have been mutually agreed upon by the Authority, the School District and the Underwriter. At the Closing, the Authority will deliver (i) the Bonds in definitive form to the Underwriter at The Depository Trust Company (“DTC”) and shall be delivered through the facilities of DTC on the Closing Date, with CUSIP identification numbers printed thereon, in fully registered form and registered in the name of Cede & Co., and (ii) the closing documents hereinafter mentioned at the offices of Best Best & Krieger LLP, Riverside, California (“Bond Counsel”), or another place to be mutually agreed upon by the Authority, the School District and the Underwriter. The Underwriter will accept such delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof by federal funds wire payable to the order of the Trustee on behalf of the Authority. This payment and delivery, together with the delivery of the aforementioned documents, is herein called the “Closing.” The Bonds will be delivered in such denominations and deposited in the account or accounts specified by the Underwriter pursuant to written notice not later than five business days prior to Closing. The Bonds will be made available to DTC not less than 24 hours prior to the Closing.

Section 6. Representations, Warranties and Covenants. The Authority represents, warrants and covenants to the Underwriter that:

(a) Due Organization, Existence and Authority. The Authority is a joint powers authority duly organized and existing under the laws of the State of California, with full right, power and authority to execute, deliver and perform its obligations under this Purchase Agreement, the Indenture, the Continuing Disclosure Agreement and the District Bonds Bond Purchase Agreement (together, the “Authority Documents”) and to carry out and consummate the transactions contemplated by the Authority Documents and the Official Statement.

(b) Due Authorization and Approval. By all necessary official action of the Authority, including but not limited to the Bond Resolution, the Authority has duly authorized and approved the execution and delivery of, and the performance by the Authority of the obligations contained in, the Authority Documents and has approved the use by the Underwriter of the Preliminary Official Statement and the execution and delivery of the Official Statement and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded. When executed and delivered, the Bonds and the Authority Documents will constitute the legally valid and binding obligations of the Authority, enforceable against the Authority in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally. The Authority has complied, and will at the Closing be in compliance in all respects, with the terms of the Authority Documents.

(c) Official Statement Accurate and Complete. The Preliminary Official Statement was as of its date, and the Final Official Statement is, and at all times subsequent to the date of the Final Official Statement up to and including the Closing will be, true and correct in all material respects, and the Preliminary Official Statement and the Final Official Statement contain, and up to and including the Closing will contain, no misstatement of any material fact and do not, and up to and including the Closing will not, omit any statement necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading; *provided, however,* no representation is made with respect to information therein relating to DTC and its book-entry only system.

(d) Underwriter's Consent to Amendments and Supplements to Official Statement. The Authority will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Underwriter, which consent will not be unreasonably withheld. The Authority will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental authority prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds.

(e) No Breach or Default. As of the time of acceptance hereof and as of the time of the Closing, except as otherwise disclosed in the Official Statement, the Authority is not and will not be in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State of California or the United States of America, or any applicable judgment or decree or any indenture, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Authority is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument; and, as of such times, except as disclosed in the Official Statement, the authorization, execution and delivery of the Bonds and the Authority Documents and compliance by the Authority with the provisions of each of such agreements or instruments do not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State of California or the United States of America, or any applicable judgment, decree, license, permit, indenture, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Authority (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or

properties or under the terms of any such law, regulation or instrument, except as may be provided by the Authority Documents.

(f) No Litigation. As of the time of acceptance hereof and the Closing, except as disclosed in the Official Statement, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government authority, public board or body, is or will be pending or threatened (i) in any way questioning the corporate existence of the Authority or the titles of the officers of the Authority to their respective offices; (ii) affecting, contesting or seeking to prohibit, restrain or enjoin the issuance or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity of the Bonds or the Authority Documents or the consummation of the transactions contemplated thereby, or contesting the exclusion of the interest on the Bonds from federal or State income taxation or contesting the powers of the Authority and its authority to pledge the revenues securing the Bonds; (iii) which may result in any material adverse change relating to the Authority; or (iv) contesting the completeness or accuracy of the Preliminary Official Statement or the Final Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Final Official Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading and as of the time of acceptance hereof and as of the Closing Date, to the knowledge of the officer of the Authority executing this Purchase Agreement, there is no basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (i) through (iv) of this sentence.

(g) Changes in Disclosure. If, at any time prior to the date twenty-five (25) days following the later of the Closing or the date the Underwriter no longer retains, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public, which date, if other than the date of the Closing, shall be provided to the Authority by written notice of the Underwriter (the “End of the Underwriting Period”), any event of which the Authority has knowledge shall occur which might or would cause the Final Official Statement to contain an untrue statement of a material fact or to omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Authority will 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 opinion of the Underwriter, the Authority or their respective counsel, to amend or supplement the Final Official Statement (at the expense of the Authority) in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Authority will forthwith cooperate with the Underwriter in the prompt preparation and furnishing to the Underwriter of a reasonable number of copies of an amendment or a supplement to the Final Official Statement, in form and substance reasonably satisfactory to the Underwriter, which will so amend or supplement the Final Official Statement so that, as amended or supplemented, it will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If any such amendment or supplement of the Official Statement shall occur after the Closing Date, the Authority also shall furnish, or cause to be furnished, such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of any such amendment or supplement to the Official Statement.

(h) Relationship to Underwriter. The Authority acknowledges and agrees that: (i) the purchase and sale of the Bonds pursuant to this Purchase Agreement is an arm’s length, commercial

transaction between the Authority and the Underwriter, (ii) in connection with such transaction, the Underwriter is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Authority; (iii) the Underwriter has not assumed any advisory or fiduciary responsibility to the Authority with respect to the transaction contemplated hereby and the discussions, undertakings and proceedings leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the Authority on other matters) or any other obligation to the Authority except the obligations expressly set forth in this Purchase Agreement and (iv) the Authority has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate in connection with the transaction contemplated herein.

(i) District Bonds Bond Purchase Agreement. The Underwriter may rely on the closing certificates delivered to the Authority pursuant to the District Bonds Bond Purchase Agreement as if they had been addressed and delivered to the Underwriter.

(j) Historical Continuing Disclosure Compliance. Based on review of previous undertakings by the Authority, the School District and related entities and except as disclosed in the Preliminary Official Statement and the Final Official Statement, the Authority, the School District and related entities have not failed in any material respect to comply with any undertaking under the Rule in the previous five years.

(k) Cooperation. The Authority covenants with the Underwriter that the Authority will cooperate with the Underwriter (at the cost and written directions of the Underwriter), in qualifying the Bonds for offer and sale under the securities or “Blue Sky” laws of such jurisdictions of the United States of America as the Underwriter may reasonably request; *provided, however*, that the Authority shall not be required to consent to suit or to service of process, or to qualify to do business, in any jurisdiction. The Authority consents to the use by the Underwriter of the Authority Documents, the Preliminary Official Statement and the Final Official Statement in the course of its compliance with the securities or “Blue Sky” laws of the various jurisdictions related to the offering and sale of the Bonds.

(l) Compliance with Internal Revenue Code. The Authority has covenanted to comply with the Internal Revenue Code of 1986, as amended, with respect to the Bonds; and the Authority shall not knowingly take or omit to take any action that, under existing law, may adversely affect the exclusion from gross income for federal income tax purposes, or the exemption from any applicable State tax, of the interest on the Bonds.

(m) Public Debt. Except as disclosed in the Official Statement, to the knowledge of the officer of the Authority executing this Purchase Agreement and without investigation of any kind, no other public debt secured by an ad valorem tax, a special tax or a benefit assessment levied by the Authority, the School District or the Taxing Jurisdictions on the land in the applicable Taxing Jurisdictions is in the process of being authorized by the Authority, the School District or a Taxing Jurisdiction and no ad valorem tax, assessment districts or community facilities districts have been or are in the process of being formed by the Authority or the School District which include any portion of the land within the Taxing Jurisdictions. All outstanding debt secured by special taxes, benefit assessment or ad valorem levies for general obligation bonds of the School District and all authorized but unissued debt secured by special taxes, benefit assessment or ad valorem levies for general obligation bonds of the School District, or the School District, on behalf of a Taxing Jurisdiction,

which is applicable to the property within the Taxing Jurisdictions is accurately described in the Official Statement.

(n) Certification. Any certificate signed by an authorized officer of the Authority and delivered to the Underwriter in connection with the issuance and sale of the Bonds shall be deemed a representation and warranty by the Authority to the Underwriter as to the statements made therein.

Section 7. Closing Conditions. The Underwriter has entered into this Purchase Agreement in reliance upon the representations, warranties and covenants herein and the performance by the Authority of its obligations hereunder, both as of the date hereof and as of the date of the Closing. The Underwriter's obligations under this Purchase Agreement to purchase and pay for the Bonds shall be subject to the following additional conditions:

(a) Bring-Down Representation. The representations, warranties and covenants of the Authority contained herein shall be true, complete and correct at the date hereof and at the time of the Closing, as if made on the date of the Closing.

(b) Executed Agreements and Performance Thereunder. At the time of the Closing (i) the Authority Documents and the School District Documents (defined below) shall be in full force and effect, and shall not have been amended, modified or supplemented except with the written consent of the Underwriter and (ii) there shall be in full force and effect such resolutions as, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated by the Official Statement, the Authority Documents and the School District Documents.

(c) Issuance and Purchase of District Bonds. Concurrent with the issuance of the Bonds and the purchase thereof by the Underwriter in accordance with this Purchase Agreement, the School District shall have issued the District Bonds on behalf of and for the Taxing Jurisdictions, and the District Bonds shall have been delivered to the Authority under and in accordance with the District Bonds Bond Purchase Agreement, and all conditions set forth in the District Bonds Bond Purchase Agreement to the issuance and delivery of the District Bonds shall have been satisfied.

(d) Closing Documents. At or prior to the Closing, the Underwriter shall receive each of the documents (which may be in electronic form) identified in Section 8.

Section 8. Closing Documents. In addition to the other conditions to the Underwriter's obligations under this Purchase Agreement to purchase and pay for the Bonds at or before the Closing, the Underwriter shall receive each of the following documents, provided that the actual payment for the Bonds by the Underwriter and the acceptance of delivery thereof shall be conclusive evidence that the requirements of this Section 8 shall have been satisfied or waived by the Underwriter.

(a) Bond Opinion. An approving opinion of Bond Counsel dated the date of the Closing and substantially in the form appended to the Official Statement, together with a letter from such counsel, dated the date of the Closing and addressed to the Underwriter, to the effect that the foregoing opinion addressed to the Authority may be relied upon by the Underwriter to the same extent as if such opinion were addressed to it.

(b) Supplemental Opinion. A supplemental opinion or opinions of Bond Counsel addressed to the Underwriter, in form and substance acceptable to the Underwriter, and dated the date of the Closing substantially to the following effect:

(i) This Purchase Agreement has been duly authorized, executed and delivered by the Authority and constitutes the valid, legal and binding agreement of the Authority, enforceable in accordance with its terms.

(ii) The statements contained in the Official Statement under the captions “THE BONDS,” “SECURITY FOR THE BONDS,” “SECURITY FOR THE DISTRICT BONDS,” and “LEGAL MATTERS,” and in Appendices B and E, insofar as such statements expressly summarize certain provisions of the Bonds, the Indenture, the Fiscal Agent Agreements (as defined below), the Escrow Agreements and the opinion of such firm concerning the exclusion from gross income for federal income tax purposes and exemption from State of California personal income taxes of interest on the Bonds, are accurate in all material respects.

(iii) The Bonds and the District Bonds are exempt from registration under the Securities Act of 1933, as amended, and the Indenture and the Fiscal Agent Agreements are exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

(c) Authority Counsel Opinion. An opinion of Counsel to the Authority, dated the date of the Closing and addressed to the Underwriter, in form and substance acceptable to Bond Counsel substantially to the following effect:

(i) The Authority is a joint powers authority duly organized and validly existing under the laws of the State of California with full legal right, power and authority to issue the Bonds and to perform all of its obligations under the Bonds and the Authority Documents.

(ii) The Bond Resolution has been duly adopted, is in full force and effect and has not been modified, amended or rescinded.

(iii) The Authority Documents have been duly authorized, executed and delivered by the Authority and constitute the legal, valid and binding obligation of the Authority enforceable in accordance with their 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.

(iv) The Official Statement has been duly executed on behalf of the Authority by an authorized officer of the Authority and the distribution of the Preliminary Official Statement and the Official Statement have been duly authorized by the Authority.

(v) Except as otherwise disclosed in the Official Statement and to the current actual knowledge of such counsel after due inquiry, there is no litigation, proceeding, action, suit or investigation at law or in equity before or by any court, governmental authority or body, pending or threatened against the Authority, challenging the creation, organization or existence of the Authority, or the validity of the Authority Documents or seeking to restrain or enjoin the repayment of the Bonds or in any way contesting or contesting the authority of the Authority to enter into or perform its obligations under any of the Authority Documents, or under which a determination adverse to the Authority would have a material adverse effect upon the financial condition or the revenues of the Authority, or which, in any manner, questions the right of the Authority to pledge the Revenues to the payment of the Bonds.

(d) U.S. Bank National Association Counsel Opinion(s). The opinion or opinions of counsel to U.S. Bank National Association (the "Bank"), with respect to its role as Trustee and Escrow Agent, dated the date of the Closing, addressed to the Underwriter, to the effect that:

(i) The Bank 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 administer the trust created under the Indenture and the Escrow Agreements.

(ii) The Indenture and the Escrow Agreements have been duly authorized, executed and delivered by the Bank and constitute the legal, valid and binding obligations of the Bank enforceable in accordance with their respective 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.

(iii) The Bonds have been validly authenticated and delivered by the Bank pursuant to the Authority Indenture.

(e) Authority Certificate. A certificate of the Authority, dated the date of the Closing, signed on behalf of the Authority by the Executive Director, Treasurer or other duly authorized officer of the Authority to the effect that:

(i) The representations, warranties and covenants of the Authority contained herein are true and correct in all material respects on and as of the date of the Closing as if made on the date of the Closing; and the Authority has complied with all of the terms and conditions of this Purchase Agreement required to be complied with by the Authority at or prior to the date of the Closing.

(ii) No event affecting the Authority has occurred since the date of the Official Statement which has not been disclosed therein or in any supplement or amendment thereto which event should be disclosed in the Official Statement in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(f) Bank's Certificate. A certificate of the Bank, dated the date of Closing, in form and substance acceptable to counsel for the Underwriter, to the following effect:

(i) The Bank is duly organized and existing as a national banking association in good standing under the laws of the United States of America, having the full power and authority to enter into and perform its duties under the Indenture and the Escrow Agreements.

(ii) The Bank is duly authorized to enter into the Indenture and the Escrow Agreements.

(iii) The Bonds have been validly authenticated and delivered by the Bank pursuant to the Indenture and the Fiscal Agent Agreements, as applicable.

(iv) To its best knowledge after due inquiry, there is no action, suit, proceeding or investigation, at law or in equity, before or by any court or governmental agency, public board or body pending against the Bank or threatened against the Bank which in the reasonable judgment of the Bank would affect the existence of the Bank or in any way contesting or affecting the validity or enforceability of the Indenture or the Escrow Agreements or contesting the powers of the

Bank or its authority to enter into and perform its obligation under the Indenture and the Escrow Agreements.

(g) Disclosure Counsel Opinion. An opinion, dated the Closing Date and addressed to the Authority and the Underwriter, of Stradling, Yocca Carlson & Rauth, P.C., Disclosure Counsel to the Authority, to the effect that without having undertaken to determine independently the accuracy or completeness of the statements contained in the Official Statement, but on the basis of their participation in conferences with representatives of the Authority, the School District, Bond Counsel, representatives of the Underwriter, and others, and their examination of certain documents, nothing has come to their attention which has led them to believe that the Official Statement, as of its date and as of the Closing Date, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except that no opinion or belief need be expressed as to any financial statements or other financial, statistical or engineering data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion, any information about valuation, appraisals, absorption, archeological or environmental matters or any information about DTC or the book-entry-only system).

(h) Original Executed Documents. An original executed copy of each of the Authority Documents, the School District Documents, the Authority Resolution, the School District Resolution and the Official Statement.

(i) Certificate of Special Tax Consultant. A certificate in form and substance as set forth in Appendix C hereto, of David Taussig & Associates, Inc., Newport Beach, California (“Special Tax Consultant”), dated as of the Closing Date.

(j) Escrow Verification. An escrow verification report of [Verification Agent] (the “Verification Agent”) with respect to the refunding of the Prior Bonds.

(k) Historical Continuing Disclosure Compliance. One or more certificates of a dissemination agent(s) to the School District, in substantially the form of Appendix D.

(l) Bond Counsel Opinions Related to the District Bonds. A letter from Bond Counsel, dated the date of the Closing and addressed to the Underwriter, to the effect that the final opinion required by Section 8(a)(1) of the District Bonds Bond Purchase Agreement and the supplemental opinion required by Section 8(a)(2) of the District Bonds Bond Purchase Agreement may be relied upon by the Underwriter to the same extent as if such opinion were addressed to it.

(m) Bond Counsel Defeasance Opinions. Opinions, each dated the Closing Date and addressed to the Authority, the District, the Underwriter and the Fiscal Agent, of Bond Counsel, in the form required by the applicable bond indenture or fiscal agent agreement relating to the outstanding bonds issued with respect to each Taxing Jurisdiction which are refunded through issuance of the Bonds and the District Bonds.

(n) School District Counsel Opinion. An opinion of Counsel to the School District, dated the date of the Closing and addressed to the Underwriter, in form and substance acceptable to Bond Counsel substantially to the following effect:

(i) The School District is a public agency duly organized and validly existing under the laws of the State of California.

(ii) The resolution of the Board of Education authorizing the issuance of the District Bonds and the execution and delivery of the fiscal agent agreements (the “Fiscal Agent Agreements”), pursuant to which the District Bonds are being issued, and the District Bonds Bond Purchase Agreement (the “School District Resolution”), has been duly adopted, is in full force and effect and has not been modified, amended or rescinded.

(iii) The Fiscal Agent Agreements, the Escrow Agreements and the District Bonds Bond Purchase Agreement (collectively, the “School District Documents”) have been duly authorized, executed and delivered by the School District and constitute the legal, valid and binding obligation of the School District enforceable in accordance with their 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.

(iv) Except as otherwise disclosed in the Official Statement and to the current actual knowledge of such counsel after due inquiry, there is no litigation, proceeding, action, suit or investigation at law or in equity before or by any court, governmental authority or body, pending or threatened against the School District, challenging the creation, organization or existence of the School District, or the validity of the District Bonds or the School District Documents or seeking to restrain or enjoin the repayment of the District Bonds or in any way contesting or contesting the authority of the School District to enter into or perform its obligations under the District Bonds or any of the School District Documents, or under which a determination adverse to the School District would have a material adverse effect upon the financial condition or the revenues of the School District, or which, in any manner, questions the right of the School District to pledge the Special Tax Revenues to the payment of the District Bonds.

(o) School District Closing Certificate. A certificate executed by an authorized representative of the School District in substantially the form and substance of Appendix E.

(p) Fiscal Agent Counsel Opinion. The opinion of counsel to the Fiscal Agent, dated the date of the Closing, addressed to the Underwriter, to the effect that:

(i) The Fiscal 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 administer the trust created under the Fiscal Agent Agreements.

(ii) The Fiscal Agent Agreements have been duly authorized, executed and delivered by the Fiscal Agent and constitute the legal, valid and binding obligations of the Fiscal Agent enforceable in accordance with their respective 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.

(iii) The District Bonds have been validly authenticated and delivered by the Bank pursuant to the Fiscal Agent Agreements.

(q) Fiscal Agent’s Certificate. A certificate of the Fiscal Agent, dated the date of Closing, in form and substance acceptable to counsel for the Underwriter, to the following effect:

(i) The Fiscal Agent is duly organized and existing as a national banking association in good standing under the laws of the United States of America, having the full power and authority to enter into and perform its duties under the Fiscal Agent Agreements.

(ii) The Fiscal Agent is duly authorized to enter into the Fiscal Agent Agreements.

(iii) The Bonds and the District Bonds have been validly authenticated and delivered by the Bank pursuant to the Indenture and the Fiscal Agent Agreements, as applicable.

(iv) To its best knowledge after due inquiry, there is no action, suit, proceeding or investigation, at law or in equity, before or by any court or governmental agency, public board or body pending against the Fiscal Agent or threatened against the Fiscal Agent which in the reasonable judgment of the Fiscal Agent would affect the existence of the Fiscal Agent or in any way contesting or affecting the validity or enforceability of the Fiscal Agent Agreements or contesting the powers of the Fiscal Agent or its authority to enter into and perform its obligation under the Fiscal Agent Agreements.

(r) Form 8038-G. Evidence that the federal tax information Form 8038-G has been prepared by Bond Counsel for filing.

(s) Nonarbitrage Certificate. A nonarbitrage certificate prepared by Bond Counsel and satisfactory to the Underwriter.

(t) Issue Price Certificate. The certification of the Underwriter regarding the prices at which the Bonds have been reoffered to the public, in substantially the form attached as Appendix F.

(u) Underwriter's Counsel Opinion. An opinion of McFarlin & Anderson LLP, counsel for the Underwriter, dated the date of the Closing, addressed to the Underwriter in form and substance acceptable to the Underwriter.

(v) Notice of Special Tax Lien. Evidence of recordation in the real property records of Riverside County of a notice of special tax lien for each Taxing Jurisdiction in the form required by the Mello-Roos Community Facilities Act of 1982, as amended (the "Act").

(w) CDIAC Statements. A copy of the filings with the California Debt and Investment Advisory Commission pursuant to the Government Code.

(x) Letter of Representations. A copy of the Blanket Issuer Letter of Representations to DTC relating to the Bonds signed by the Authority.

(y) Additional Documents. Such additional certificates, instruments and other documents as Bond Counsel, Underwriter's Counsel, the Authority or the Underwriter may reasonably deem necessary.

If the Authority shall be unable to satisfy the conditions contained in this Purchase Agreement, or if the obligations of the Underwriter shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and neither the Underwriter nor the Authority shall be under further obligation hereunder, except as further set forth in Section 10.

Section 9. Termination Events. The Underwriter shall have the right to terminate this Purchase Agreement, without liability therefor, by notification to the Authority if at any time between the date hereof and prior to the Closing:

(a) any event or circumstances shall occur which causes any statement contained in the Official Statement to be materially misleading or results in a failure of the Official Statement to state a material fact necessary to make the statements in the Official Statement, in the light of the circumstances under which they were made, not misleading and, in either such event, the Authority refuses to permit the Official Statement to be supplemented to supply such statement or information, or the effect of the Official Statement as so supplemented is to materially adversely affect the market price or the ability of the Underwriter to enforce contracts for the sale of the Bonds; or

(b) the marketability of the Bonds or the market price thereof or the ability of the Underwriter to enforce contracts for the sale of the Bonds in the opinion of the Underwriter, has been materially adversely affected by an amendment to the Constitution of the United States of America or by any legislation in or by the Congress of the United States of America or by the State, or the amendment of legislation pending as of the date of this Purchase Agreement in the Congress of the United States of America, or the recommendation to Congress or endorsement for passage (by press release, other form of notice or otherwise) of legislation by the President of the United States of America, any member of the President's Cabinet, the Treasury Department of the United States of America, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or the proposal for consideration of legislation by either such Committee or by any member thereof, or the presentment of legislation for consideration as an option by either such Committee, or by the staff of the Joint Committee on Taxation of the Congress of the United States of America, or the favorable reporting for passage of legislation to either House of the Congress of the United States of America by a Committee of such House to which such legislation has been referred for consideration, or any decision of any federal or State court or any ruling or regulation (final, temporary or proposed) or official statement on behalf of the United States Treasury Department, the Internal Revenue Service or other federal or State authority materially adversely affecting the federal or State tax status of the Authority, the School District or a Taxing Jurisdiction, or the interest on bonds or notes or obligations of the general character of the Bonds or the market price of the Bonds; or

(c) any legislation, ordinance, rule or regulation shall be introduced in, or be enacted by any governmental body, department or authority of the State, or a decision by any court of competent jurisdiction within the State or any court of the United States of America shall be rendered which, in the reasonable opinion of the Underwriter, materially adversely affects the market price of the Bonds; or

(d) legislation shall be enacted by the Congress of the United States of America, or shall have been favorably reported out of committee or be pending in committee, or shall have been recommended to the Congress for passage by the President of the United States or a member of the President's Cabinet or a decision by a court of the United States of America shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of, or that obligations of the general character of the Bonds, the Bonds, or the District Bonds, are not exempt from

registration under, any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect, or that the Indenture or the Fiscal Agent Agreements need to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect; or

(e) additional material restrictions not in force as of the date hereof, including minimum or maximum prices for trading having been fixed and in force, or maximum ranges for prices for securities having been required and in force shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange which restrictions materially adversely affect the Underwriter's ability to market the Bonds; or

(f) a material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred; or

(g) any new restriction on transactions in securities materially affecting the market for securities (including the imposition of any limitation or interest rates) or the extension of credit by, or a charge to the net capital requirements of credit by, or a charge to net capital requirements of, underwriters shall have been established by the New York Stock Exchange, the Securities and Exchange Commission, any other federal or State agency or the Congress of the United States of America, or by Executive Order; or

(h) a general suspension of trading in securities on the New York Stock Exchange or other major exchange or a general banking moratorium shall have been established by federal or State authorities; or

(i) the United States of America has become engaged in hostilities which have resulted in a declaration of war or a national emergency or there has occurred any other outbreak of hostilities or a national or international calamity or crisis, or there has occurred any escalation of existing hostilities, calamity or crisis, financial or otherwise, the effect of which on the financial markets of the United States of America being such as, in the reasonable opinion of the Underwriter, would affect materially and adversely the ability of the Underwriter to market the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds (it being agreed by the Underwriter that there is no outbreak, calamity or crisis of such character as of the date hereof); or

(j) except as disclosed in or contemplated by the Official Statement, any material adverse change in the affairs of the Authority, the School District or the Taxing Jurisdictions shall have occurred; or

(k) a decision by a court of the United States of America shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Bonds, including the District Bonds as contemplated by this Purchase Agreement or by the Official Statement, or any document relating to the issuance, offering or sale of the Bonds, is or would be in violation of any provision of the federal securities laws at the Closing Date, including the Securities Act, the Exchange Act and the Trust Indenture Act; or

(l) the commencement of any action, suit or proceeding described in Section 6(f)(i) or 6(g)(ii) with respect to either the Authority or the School District which, in the judgment of the Underwriter, materially adversely affects the market price of the Bonds; or

(m) there shall be in force a general suspension of trading on the New York Stock Exchange.

Section 10. Expenses. The Underwriter shall be under no obligation to pay and the Authority shall pay or cause to be paid the expenses incident to the performance of the obligations of the Authority and the School District hereunder including but not limited to (a) the costs of the preparation and printing, or other reproduction (for distribution on or prior to the date hereof) of the Authority Documents and the School District Documents and the cost of preparing, printing, issuing and delivering the definitive Bonds and District Bonds, (b) the fees and disbursements of the Trustee, the Fiscal Agent, the Special Tax Consultant, the Verification Agent, any counsel, financial advisors, accountants or other experts or consultants retained by the Authority or the School District; (c) the fees and disbursements of Bond Counsel and of Disclosure Counsel; and (d) the cost of preparation, printing and mailing of the Preliminary Official Statement and the Official Statement and any supplements and amendments thereto and the cost of printing of the Official Statement, including the requisite number of copies thereof for distribution by the Underwriter.

The Underwriter shall pay and the Authority shall be under no obligation to pay all expenses incurred by it in connection with the public offering and distribution of the Bonds, including but not limited to (a) reporting fees chargeable by the California Debt and Investment Advisory Commission, (b) the Underwriter Counsel's fee, and (c) CUSIP Service Bureau fees.

Section 11. Notice. Any notice or other communication to be given to the Authority under this Purchase Agreement may be given by delivering the same in writing to such entity at the address set forth above. Any notice or other communication to be given to the Underwriter under this Purchase Agreement may be given by delivering the same in writing to: Stifel, Nicolaus & Company, Incorporated, Municipal Research Department, One Montgomery Street, Suite 3700, San Francisco, California 94111.

Notices may be given by personal or courier delivery, registered or certified mail, facsimile transmission or electronic communication, provided that delivery by facsimile transmission or electronic communication must be confirmed by the sender.

Section 12. Entire Agreement. This Purchase Agreement, when accepted by the Authority, shall constitute the entire agreement between the Authority and the Underwriter and is made solely for the benefit of the Authority and the Underwriter (including the successors or assigns of any Underwriter). No other person shall acquire or have any right hereunder by virtue hereof, except as provided herein. The term "successor" shall not include any owner of any Bonds merely by virtue of such holding. All the Authority's representations, warranties and agreements in this Purchase Agreement shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Underwriter, or (ii) delivery of any payment for the Bonds pursuant to this Purchase Agreement. The agreements contained in this Section and in Section 13 shall survive any termination of this Purchase Agreement.

Section 13. Survival of Representations and Warranties. All representations and warranties of the parties made in, pursuant to or in connection with this Purchase Agreement shall survive the execution and delivery of this Purchase Agreement notwithstanding any investigation by the parties. All statements contained in any certificate, instrument or other writing delivered by a party to this Purchase Agreement or in connection with the transactions contemplated by this Purchase Agreement constitute representations and warranties by such party under this Purchase Agreement.

Section 14. Counterparts. This Purchase Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

Section 15. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof.

Section 16. Governing Law. The validity, interpretation and performance of this Purchase Agreement shall be governed by the laws of the State of California.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK; EXECUTION PAGE
FOLLOWS]

Section 17. No Assignment. The rights and obligations created by this Purchase Agreement shall not be subject to assignment by the Underwriter or the Authority without the prior written consent of the other parties hereto.

STIFEL, NICOLAUS & COMPANY, INCORPORATED,
as Underwriter

By: _____
Managing Director

Accepted as of the date first stated above and
as of the time stated below:

RIVERSIDE UNIFIED SCHOOL DISTRICT
FINANCING AUTHORITY

By: _____
Treasurer

Time of Execution: [Pricing Date], 2015
___ p.m. PST

[EXECUTION PAGE OF BOND PURCHASE AGREEMENT]

APPENDIX A

Maturity Schedule

Serial Bonds

<i>Principal Payment Date</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Price</i>
9/1/20__	\$	%	%	
9/1/2016				
9/1/2017				
9/1/2018				
9/1/2019				
9/1/2020				
9/1/2021				
9/1/2022				
9/1/2023				
9/1/2024				
9/1/2024				
9/1/2025				
9/1/2026				
9/1/2027				
9/1/2028				
9/1/2029				
9/1/2030				
9/1/2031				
9/1/2032				
9/1/2033				
9/1/2033				
Total	\$ _____			

^c Prices to par optional redemption date of September 1, 20__.

Term Bond

<i>Principal Payment Date</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Price</i>
9/1/20__	\$	%	%	

^c Prices to par optional redemption date of September 1, 20__.

See “Mandatory Sinking Fund Redemption,” “Optional Redemption” and “Mandatory Redemption from Special Tax Prepayments” on the following page.

Optional Redemption. The Bonds maturing on and prior to September 1, 2024, are not subject to optional redemption. The Bonds maturing on or after September 1, 2025, are subject to redemption prior to their stated maturity dates on any date on or after March 1, 2025, as selected by the Authority, in integral multiples of \$5,000, at the option of the School District from moneys derived by the Authority from any source, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest to the date of redemption, without premium.

Mandatory Redemption from Special Tax Prepayments. The Bonds are subject to mandatory redemption prior to their stated maturity dates on any Interest Payment Date, as selected by the Authority, in integral multiples of \$5,000, from moneys derived by the Authority from mandatory redemption of the District Bonds as a result of Special Tax Prepayments, at redemption prices (expressed as percentages of the principal amounts of the Bonds to be redeemed), together with accrued interest to the date of redemption, as follows:

<i>Redemption Period</i>	<i>Redemption Price</i>
September 1, 2015, through September 1, 2023	103%
March 1, 2023 and September 1, 2024	102
March 1, 2024 and September 1, 2025	101
March 1, 2025 and any Interest Payment Date thereafter	100

Mandatory Sinking Fund Redemption. The Bonds maturing on September 1, 20__ are subject to mandatory sinking fund redemption prior to maturity, in part, on September 1, 20__, and on each September 1 thereafter by lot, from sinking fund payments at a redemption price equal to the principal amount of Bonds to be redeemed, together with accrued interest to the date of redemption, without premium, as follows:

<i>Redemption Date (September 1)</i>	<i>Redemption Amount</i>
	\$

(maturity)

The amounts in the foregoing mandatory sinking fund payment schedule with respect to the Term Bonds will be reduced by the Authority pro rata among redemption dates, in order to maintain substantially level debt service with respect to the Bonds, as a result of any prior or partial redemption of the Bonds.

APPENDIX B

**RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY
2015 SPECIAL TAX REVENUE REFUNDING BONDS**

RULE 15c2-12 CERTIFICATE

The undersigned hereby certifies and represents that he is the Treasurer of the Riverside Unified School District Financing Authority (the "Authority"), and, as such, is duly authorized to execute and deliver this certificate and further hereby certifies that:

(1) this certificate is being delivered in connection with the sale and issuance of the captioned bonds (the "Bonds") in order to enable the underwriter of the Bonds to comply with Rule 15c2-12 promulgated under the Securities and Exchange Act of 1934, as amended (the "Rule");

(2) in connection with the sale and issuance of the Bonds, there has been prepared a Preliminary Official Statement, dated [POS Date], 2015, setting forth information concerning the Bonds and the Authority (the "Preliminary Official Statement"); and

(3) except for the Permitted Omissions, the Preliminary Official Statement is deemed final within the meaning of the Rule. As used herein, the term "Permitted Omissions" refers to the offering price(s), interest rates(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings and other terms of the Bonds depending on such matters, all as set forth in the Rule.

IN WITNESS WHEREOF, I have hereunto set my hand as of [POS Date], 2015.

RIVERSIDE UNIFIED SCHOOL DISTRICT
FINANCING AUTHORITY

By: _____
Its: Treasurer

APPENDIX C

**RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY
2015 PECIAL TAX REVENUE REFUNDING BONDS**

CERTIFICATE OF SPECIAL TAX CONSULTANT

David Taussig & Associates, Inc., Newport Beach, California (“Special Tax Consultant”), was retained as Special Tax Consultant and assisted in the preparation of the Official Statement, dated [Pricing Date], 2015 (the “Official Statement”), relating to the above-referenced bonds (the “Bonds”).

With respect to each of the Taxing Jurisdictions and the related District Bonds, we hereby certify as follows:

(i) Based upon the Special Tax Consultant’s review of the Official Statement and such other documents as it deems relevant in the circumstances, the Special Tax Consultant hereby certifies that the Special Tax to be levied in each Taxing Jurisdiction, if collected in the maximum amounts permitted pursuant to the applicable Rate and Method of Apportionment for the Taxing Jurisdiction, would generate administrative expenses [as described in the Official Statement] plus at least 110% of the maximum annual debt service on the related District Bonds.

(ii) All information with respect to the Rate and Method of Apportionment for each of the Taxing Jurisdictions set forth in the Official Statement was true and correct as of the date of the Official Statement and remains true and correct as of the date hereof.

(iii) All information supplied by us for use in the Official Statement was true and correct as of the date of the Official Statement, including the tables in Appendix A thereof, and remains true and correct as of the date hereof and such information does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

The Authority, the School District and Stifel, Nicolaus & Company, Incorporated, are entitled to rely on this Certificate.

Dated: _____, 2015

DAVID TAUSSIG & ASSOCIATES, INC.

By: _____
Its: _____

APPENDIX D

RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY 2015 SPECIAL TAX REVENUE REFUNDING BONDS

CERTIFICATE REGARDING CONTINUING DISCLOSURE

The undersigned hereby states and certifies that:

(i) I am an authorized representative of [Dissemination Agent] (the “Dissemination Agent”).

(ii) The Dissemination Agent is familiar with the facts herein certified and is authorized and qualified to certify the same.

(iii) The Dissemination Agent has been retained to provide dissemination agent services for the following entities (collectively, the “Issuer”) with respect to continuing disclosure undertakings (the “Undertakings”) executed by the Issuer pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (the “Rule”) for the securities listed on the attached Schedule 1 (collectively, the “Issuer”):

- Riverside Unified School District Financing Authority;
- Riverside Unified School District; and
- Community facilities districts formed by the Riverside Unified School District.

(iv) The Undertakings are the only continuing disclosure undertakings under which the Issuer was obligated to provide continuing disclosure during the past five years.

(v) In its capacity as Dissemination Agent, the Dissemination Agent has reviewed the Undertakings and all annual filings made pursuant thereto, and concludes that in the previous five years, except as otherwise disclosed in the Preliminary Official Statement and the final Official Statement for the captioned bonds, the Issuer has filed each annual report in a complete and timely manner.

(vi) In its capacity as Dissemination Agent, the Dissemination Agent has reviewed the Undertakings, and all event filings (if any) made pursuant thereto, and concludes that in the previous five years, to the knowledge of the Dissemination Agent, after reasonable inquiry, except as otherwise disclosed in the Preliminary Official Statement and the final Official Statement for the captioned bonds, all event filings required to be made pursuant to the Rule have been made in a timely manner pursuant to the Rule.

(vii) To the extent the Issuer failed to comply in all material respects with a continuing disclosure undertaking during the previous five years, the Preliminary Official Statement and the final Official Statement accurately describe the actions taken by the Issuer to remedy such non-compliance.

(viii) [Discuss: The Dissemination Agent has provided Stifel, Nicolaus & Company, Incorporated with complete and accurate copies of all annual reports and all event filings that the Issuer

was required to file in the previous five years, and Stifel, Nicolaus & Company, Incorporated is entitled to rely on this certificate.]

Dated: _____

[DISSEMINATION AGENT]

By: _____
Authorized Officer

Schedule 1

<i>Issuer</i>	<i>Name of Bonds</i>

APPENDIX E

RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY 2015 SPECIAL TAX REVENUE REFUNDING BONDS

SCHOOL DISTRICT CLOSING CERTIFICATE

The undersigned, an authorized representative of the Riverside Unified School District (the "School District"), hereby certifies as follows:

(a) The School District is familiar with the facts herein certified and is authorized and qualified to certify the same.

(b) The [Discuss] Taxing Jurisdictions are community facilities districts duly organized and validly existing under the laws of the State of California, including the Act.

(c) The School District is a public agency duly organized and existing under the laws of the State of California, with full right, power and authority to execute, deliver and perform its obligations under the District Bonds Bond Purchase Agreement, the Escrow Agreements and the Fiscal Agent Agreements (together, the "School District Documents") and to carry out and consummate the transactions contemplated by the School District Documents and the Official Statement.

(d) By all necessary official action of the School District, including but not limited to the School District Resolution, the School District has duly authorized and approved the execution and delivery of, and the performance by the School District of the obligations contained in, the District Bonds and the School District Documents and as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded. When executed and delivered, the District Bonds and the School District Documents will constitute the legally valid and binding obligations of the School District enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally. The School District is in compliance in all respects with the terms of the School District Documents.

(e) The Preliminary Official Statement was as of its date, and the final Official Statement is, true and correct in all material respects, and the Preliminary Official Statement and the final Official Statement contain no misstatement of any material fact and do not omit any statement necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading; *provided, however*, no representation is made with respect to information therein relating to The Depository Trust Company and its book-entry only system.

(f) The School District will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Underwriter, which consent will not be unreasonably withheld. The School District will advise the Underwriter promptly of the

institution of any proceedings known to it by any governmental authority prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds.

(g) As of the date hereof, except as otherwise disclosed in the Official Statement, the School District is not in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State of California or the United States of America, or any applicable judgment or decree or any indenture, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the School District is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument; and, except as disclosed in the Official Statement, the authorization, execution and delivery of the District Bonds and the School District Documents and compliance with the provisions of each of such agreements or instruments do not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State of California or the United States of America, or any applicable judgment, decree, license, permit, indenture, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the School District (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be provided by the School District Documents.

(h) Except as disclosed in the Official Statement, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government authority, public board or body, is pending or threatened (i) in any way questioning the corporate existence of the School District or the titles of the officers of the School District to their respective offices; (ii) affecting, contesting or seeking to prohibit, restrain or enjoin the issuance or delivery of any of the District Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the District Bonds, or in any way contesting or affecting the validity of the District Bonds or the School District Documents or the consummation of the transactions contemplated thereby, or contesting the exclusion of the interest on the District Bonds from taxation or contesting the powers of the School District and its authority to pledge the revenues securing the District Bonds; (iii) which may result in any material adverse change relating to the School District; or (iv) contesting the completeness or accuracy of the Preliminary Official Statement or the final Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the final Official Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(i) If, at any time prior to the date twenty-five (25) days following the later of the Closing or the date the Underwriter no longer retains, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public, which date, if other than the date of the Closing, shall be provided to the School District by written notice of the Underwriter (the "End of the Underwriting Period"), any event of which the School District has knowledge shall occur which might or would cause the Final Official Statement to contain

an untrue statement of a material fact or to omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the School District will 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 opinion of the Underwriter, the School District or their respective counsel, to amend or supplement the Final Official Statement in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, the School District will cooperate with the Underwriter in the prompt preparation and furnishing to the Underwriter of a reasonable number of copies of an amendment of or a supplement to the Final Official Statement, in form and substance reasonably satisfactory to the Underwriter, which will so amend or supplement the Final Official Statement so that, as amended or supplemented, it will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(j) The School District acknowledges and agrees that: (i) the purchase and sale of the Bonds pursuant to the Purchase Agreement is an arm's length, commercial transaction between the Authority and the Underwriter, (ii) in connection with such transaction, the Underwriter is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the School District; (iii) the Underwriter has not assumed any advisory or fiduciary responsibility to the School District with respect to the transaction contemplated hereby and the discussions, undertakings and proceedings leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the School District on other matters) or any other obligation to the School District except the obligations expressly set forth in the Purchase Agreement or otherwise imposed by law, (iv) the Underwriter has financial interests that differ from those of the School District, and (v) the School District has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate in connection with the transaction contemplated herein. The School District, for itself and acting on behalf of each Taxing Jurisdictions, acknowledges that it has previously provided the Underwriter with an acknowledgement of receipt of the required Underwriter disclosure under Rule G-17 of the MSRB. The School District acknowledges that it has engaged Fieldman, Rolapp & Associates ("Fieldman, Rolapp & Associates"), as its municipal advisor (as defined in Securities and Exchange Commission Rule 15Ba1 ("Rule 15Ba1")), and for financial advice purposes, will rely only on the advice of Fieldman, Rolapp & Associates.

(k) Based on review of previous undertakings by the Authority, the School District and related entities and except as disclosed in the Preliminary Official Statement and the Official Statement, the Authority, the School District and related entities have not failed in any material respect to comply with any undertaking under the Rule in the previous five years.

(l) The Special Taxes may lawfully be levied in accordance with the Rates and Method (as those terms are defined in the Final Official Statement), and ordinances lawfully adopted by the Board of Education of the School District, which ordinances are in full force and effect, and, when levied, will be secured by a lien on the property on which they are levied.

(m) The issuance of the District Bonds complies with the _____ [Goals and Policies for Management of Community Facilities Districts]], dated _____, pursuant to Section 53321.7 of the Act.

(n) The Fiscal Agent Agreements create a valid pledge of and first lien upon the Special Tax Revenues deposited thereunder less Administrative Expenses not to exceed the Priority Administrative Expense Amount (as those terms are defined in the Final Official Statement), and the moneys in certain funds and accounts established pursuant to the Fiscal Agent Agreements, subject in all cases to the provisions of the Fiscal Agent Agreements permitting the application thereof for the purposes and on the terms and conditions set forth therein.

(o) The School District has covenanted in the Fiscal Agent Agreements to comply with the Internal Revenue Code of 1986, as amended, with respect to the Bonds; and the School District shall not knowingly take or omit to take any action that, under existing law, may adversely affect the exclusion from gross income for federal income tax purposes, or the exemption from any applicable State tax, of the interest on the Bonds.

(p) The Underwriter may rely on this Certificate.

Capitalized terms used herein but not defined have the meaning given them in the Purchase Agreement.

IN WITNESS WHEREOF, I have hereunto set my hand as of _____, 2015.

RIVERSIDE UNIFIED SCHOOL DISTRICT

By: _____
Its: _____

APPENDIX F

RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY 2015 SPECIAL TAX REVENUE REFUNDING BONDS

UNDERWRITER'S CERTIFICATE

This Certificate is furnished by Stifel, Nicolaus & Company, Incorporated, as underwriter (the "Underwriter") of the \$_____ stated principal amount of the Riverside Unified School District Financing Authority 2015 Special Tax Revenue Refunding Bonds (the "Bonds"). The Underwriter hereby certifies and represents the following, based upon the information available to it:

1. Issue Price.

1.1 As of the date a purchase agreement was signed with respect to the Bonds (the "Sale Date"), we reasonably expected to sell a substantial amount of each maturity (i.e., at least 10%) of the Bonds to the general public (excluding bond houses, brokers or similar persons acting in the capacity of underwriter or wholesalers) in a bona fide public offering at the prices listed on Schedule A.

1.2 In our opinion, and based upon our estimate as of the Sale Date, the initial offering prices of the Bonds set forth in Schedule A are within a reasonable range of, and should reflect, the fair market prices for such Bonds.

1.3 As of the date of execution of the attached Tax Certificate, all of the Bonds have actually been offered to the general public at the prices listed in Schedule A.

1.4 As of the Sale Date, at least 10% of each maturity of the Bonds were sold or were reasonably expected to be sold at the prices referred to in Schedule A.

2. Arbitrage Yield.

2.1 We have calculated the arbitrage yield with respect to the Bonds to be _____% in accordance with the instructions provided by the Bond Counsel in Section ____ of the Tax Certificate.

3. Reserve Fund

The funding of the Reserve Fund as provided in the Tax Certificate is reasonably required, was a vital factor in marketing the Bonds, facilitated the marketing of the Bonds at an interest rate comparable to that of bonds and other obligations of a similar type and is not in excess of the amount necessary for such purpose.

To the extent that we provided the Authority and Bond Counsel with certain computations that show a bond yield, issue price, weighted average maturity and certain other information with respect to the Bonds, these computations are based on our understanding of

directions that we have received from Bond Counsel regarding interpretation of the applicable law. We express no view regarding the legal sufficiency of any such computations or the correctness of any legal interpretation made by Bond Counsel.

All terms not defined herein have the meanings ascribed to those terms in the attached Tax Certificate. Nothing herein represents our interpretation of any laws or regulations under the Internal Revenue Code of 1986, as amended.

Dated: _____

STIFEL, NICOLAUS & COMPANY,
INCORPORATED, as underwriter

By: _____
Managing Director

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2015

NEW ISSUE-FULL BOOK ENTRY

RATINGS: S&P: “___” (Insured)
S&P: “___” (Underlying)
(See “MISCELLANEOUS — Ratings” herein)

In the opinion of Best Best & Krieger LLP, Riverside, California, Bond Counsel, subject, however, to certain qualifications described in this Official Statement, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes, and such interest is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, although for the purpose of computing the federal alternative minimum tax imposed on certain corporations, such interest is taken into account in determining certain income and earnings. In the further opinion of Bond Counsel, interest on the Bonds is exempt from State of California personal income taxes. See “LEGAL MATTERS — Tax Matters.”

\$43,595,000*

RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY
2015 SPECIAL TAX REVENUE REFUNDING BONDS

Dated: Date of Delivery

Due: September 1 as shown on inside cover

The Riverside Unified School District Financing Authority (the “Authority”) will issue its 2015 Special Tax Revenue Refunding Bonds (the “Bonds”) to acquire certain special tax obligations issued by Riverside Unified School District (the “School District”) on behalf of community facilities districts, or improvement areas of community facilities districts (the “Taxing Jurisdictions”), formed by the School District (the “District Bonds”). The District Bonds are being issued to refund nine outstanding series of bonds issued by the School District on behalf of the Taxing Jurisdictions. See “FINANCING PLAN.”

The Bonds are payable solely from “Revenues,” as defined herein, pledged by the Authority pursuant to that certain Indenture of Trust, dated as of _____ 1, 2015 (the “Indenture”), by and between the Authority and U.S. Bank National Association, as trustee (the “Trustee”). Revenues consist primarily of special taxes levied in the Taxing Jurisdictions and paid to the Authority as debt service on the District Bonds.

The Bonds will be issued in integral multiples of \$5,000. Interest on the Bonds is payable on September 1, 2015 and semiannually thereafter on March 1 and September 1 each year. The Bonds will be initially issued only in book-entry form and registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository of the Bonds. Principal and interest (and premium, if any) on the Bonds is payable by the Trustee to DTC, which remits such payments to its Participants for subsequent distribution to the beneficial owners of the Bonds. See “THE BONDS — General Provisions” and “— Book-Entry Only System.”

The Bonds are subject to redemption prior to maturity. See “THE BONDS — Redemption.”

The scheduled payment of principal and interest when due on the Bonds will be guaranteed under an insurance policy to be issued concurrently with the issuance of the Bonds by _____. See “BOND INSURANCE” herein.

CERTAIN EVENTS COULD AFFECT THE ABILITY OF THE AUTHORITY TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS WHEN DUE. SEE THE SECTION OF THIS OFFICIAL STATEMENT TITLED “SPECIAL RISK FACTORS” FOR A DISCUSSION OF CERTAIN FACTORS WHICH SHOULD BE CONSIDERED, IN ADDITION TO THE OTHER MATTERS SET FORTH IN THIS OFFICIAL STATEMENT, IN EVALUATING THE INVESTMENT QUALITY OF THE BONDS.

*Maturity Schedule
(see inside cover)*

The Bonds are offered when, as and if issued and accepted by the Underwriter, subject to approval as to their legality by Best Best & Krieger LLP, Riverside, California, Bond Counsel, and subject to certain other conditions. Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, is serving as Disclosure Counsel to the Authority with respect to the Bonds. Certain legal matters will be passed on for the Authority and the School District by Best Best & Krieger LLP, Riverside, California and for the Underwriter by its counsel, McFarlin & Anderson LLP, Laguna Hills, California. It is anticipated that the Bonds in book-entry form will be available for delivery to DTC or its agent on or about January ___, 2015.

**STIFEL
[LOGO]**

Dated: January ___, 2015.

* Preliminary, subject to change.

MATURITY SCHEDULE

\$43,595,000*

**RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY
2015 SPECIAL TAX REVENUE REFUNDING BONDS**

<i>Maturity (September 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>CUSIP[†] No.</i>
2015				
2016				
2017				
2018				
2019				
2020				
2021				
2022				
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				

\$ _____ % Term Bonds due September 1, 2037, Yield _____ % CUSIP[†] No. _____

[†] *CUSIP is a registered trademark of the American Bankers Association. Copyright© 1999-2015 American Bankers Association. All rights reserved. CUSIP data herein is provided by CUSIP Global Services, managed by Standard & Poor's Financial Services LLC on behalf of the American Bankers Association and is included solely for the convenience of the purchasers of the Bonds. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. The Authority, the School District and the Underwriter do not assume responsibility for the accuracy of such data.*

* Preliminary, subject to change.

RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY

BOARD OF DIRECTORS

Patricia Lock-Dawson, Chairperson
Tom Hunt, Vice Chairperson
Kathy Y. Allavie, Secretary
Gayle Cloud, Director
Brent Lee, Director

OFFICERS

David Hansen, Ph.D., Executive Director
Michael H. Fine, Treasurer
Kirk R. Lewis, Ed.D., Assistant Executive Director

RIVERSIDE UNIFIED SCHOOL DISTRICT

BOARD OF EDUCATION

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Riverside, California

DISCLOSURE COUNSEL

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Newport Beach, California

FINANCIAL ADVISOR

Fieldman, Rolapp & Associates, Inc.
Irvine, California

SPECIAL TAX CONSULTANT

David Taussig & Associates, Inc.
Newport Beach, California

TRUSTEE/FISCAL AGENT/ESCROW AGENT

U.S. Bank National Association
Los Angeles, California

VERIFICATION AGENT

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

Except where otherwise indicated, all information contained in this Official Statement has been provided by the Riverside Unified School District Financing Authority, Riverside Unified School District and the Community Facilities Districts formed by Riverside Unified School District. No dealer, broker, salesperson or other person has been authorized by the Authority, the School District, the Taxing Jurisdictions, the Trustee or the Underwriter to give any information or to make any representations in connection with the offer or sale of the Bonds other than those contained in this Official Statement; and, if given or made, such other information or representations must not be relied upon as having been authorized by the Authority, the School District, the Taxing Jurisdictions, the Trustee or the Underwriter. 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.

The information set forth in this Official Statement which has been obtained from third party sources is believed to be reliable but is not guaranteed as to accuracy or completeness by the Taxing Jurisdictions, the School District or the Authority. This Official Statement is not to be construed as a contract with the purchasers or Owners 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 are not to be construed as representations of fact.

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 a part of, their 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 of completeness of such information.

The information and expressions of opinion provided in this Official Statement are subject to change without notice and neither the delivery of this Official Statement nor any sale of Bonds shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority, the School District, the Taxing Jurisdictions or any other parties described herein since the date of this Official Statement. All summaries of the Indenture or other documents are made subject to the provisions of such documents respectively and do not purport to be complete statements of any or all of such provisions. Reference is hereby made to such documents on file with the School District for further information in connection therewith.

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” or other similar words.

The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The Authority does not plan to issue any updates or revisions to the forward-looking statements set forth in this Official Statement. The Authority is obligated to provide continuing disclosure for certain historical information only. See the caption “MISCELLANEOUS — Continuing Disclosure.”

IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF SUCH BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXEMPTION CONTAINED IN SUCH ACT. THE BONDS HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE.

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[INSERT AERIAL PHOTO OR MAP WITH 9 CFDS]

[SCHOOL DISTRICT LOCATION MAP]

OFFICIAL STATEMENT

\$43,595,000*

RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY 2015 SPECIAL TAX REVENUE REFUNDING BONDS

INTRODUCTION

The purpose of this Official Statement, which includes the cover page and Appendices (the “Official Statement”), is to provide certain information concerning the sale and issuance of the Riverside Unified School District Financing Authority 2015 Special Tax Revenue Refunding Bonds (the “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 and document summaries contained in the entire Official Statement. A full review should be made of the entire Official Statement. The offering of the Bonds to potential investors is made only by means of the entire Official Statement.

Financing Purpose

Purpose of the Bonds. The Bonds are being issued by the Riverside Unified School District Financing Authority (the “Authority”) for the purpose of acquiring the “District Bonds” described in this Official Statement (see “FINANCING PLAN”).

Purpose of the District Bonds. The net proceeds of the District Bonds, along with other available funds, will be used as follows (see “FINANCING PLAN”):

- (i) to make deposits into 9 separate escrow funds (collectively, the “Escrow Funds”) to be held by U.S. Bank National Association, as escrow agent (the “Escrow Agent”) pursuant to 9 separate Escrow Agreements, each dated as of _____ 1, 2015 (collectively, the “Escrow Agreements”) for the purpose of paying (A) interest on the Prior Bonds (as defined below) through March 1, 2015, the next optional redemption date for each issue, and (B) the remaining outstanding principal of the Prior Bonds (and applicable redemption premiums) on such redemption date; and
- (ii) to fund a Reserve Fund for the Bonds; and
- (iii) to pay the costs of issuing the Bonds.

The Bonds; The District Bonds

The Bonds are payable from “Revenues,” as more completely defined below, generally consisting of revenues received by the Authority as the result of the payment of debt service on the District Bonds, and amounts held in the funds and accounts established and held for the benefit of the Bonds under the Indenture.

District Bonds. The District Bonds consist of the following 9 separate series of bonds issued by Riverside Unified School District (the “School District”) on behalf of various community facilities districts or improvement areas of the community facilities districts (the “Taxing Jurisdictions”) formed by the School District:

CFD No. 10 Bonds: \$1,165,000* Community Facilities District No. 10 of Riverside Unified School District 2015 Special Tax Refunding Bonds (the “CFD No. 10 Bonds”) being issued by the

* Preliminary, subject to change.

School District on behalf of Community Facilities District No. 10 (“CFD No. 10”) to refund the outstanding \$1,510,000 Community Facilities District No. 10 of Riverside Unified School District 2005 Special Tax Bonds, Series A (the “Prior CFD No. 10 Bonds”). The CFD No. 10 Bonds are payable from Special Taxes levied on taxable property in CFD No. 10. See Appendix A — “INFORMATION REGARDING THE TAXING JURISDICTIONS — Community Facilities District No. 10.”

CFD No. 13-1 Bonds: \$5,870,000* Community Facilities District No. 13 of Riverside Unified School District 2015 Special Tax Refunding Bonds (Improvement Area No. 1) (the “CFD No. 13-1 Bonds”) being issued by the School District on behalf of Community Facilities District No. 13 (“CFD No. 13”) to refund the outstanding \$8,000,000 Community Facilities District No. 13 of Riverside Unified School District 2005 Special Tax Bonds (Improvement Area No. 1) (the “Prior CFD No. 13-1 Bonds”). The CFD No. 13-1 Bonds are payable from Special Taxes levied on taxable property in Improvement Area No. 1 of CFD No. 13. See Appendix A — “INFORMATION REGARDING THE TAXING JURISDICTIONS — Community Facilities District No. 13 (Improvement Area No. 1).”

CFD No. 14 Bonds: \$4,805,000* Community Facilities District No. 14 of Riverside Unified School District 2015 Special Tax Refunding Bonds (the “CFD No. 14 Bonds”) being issued by the School District on behalf of Community Facilities District No. 14 (“CFD No. 14”) to refund the outstanding \$6,560,000 Community Facilities District No. 14 of Riverside Unified School District 2005 Special Tax Bonds, Series A (the “Prior CFD No. 14 Bonds”). The CFD No. 14 Bonds are payable from Special Taxes levied on taxable property in CFD No. 14. See Appendix A — “INFORMATION REGARDING THE TAXING JURISDICTIONS — Community Facilities District No. 14.”

CFD No. 15-2 Bonds: \$14,965,000* Community Facilities District No. 15 (Mission Ranch) of Riverside Unified School District 2015 Special Tax Refunding Bonds (Improvement Area No. 2) (the “CFD No. 15-2 Bonds”) being issued by the School District on behalf of Community Facilities District No. 15 (“CFD No. 15”) to refund the outstanding \$20,155,000 Community Facilities District No. 15 (Mission Ranch) of Riverside Unified School District 2005 Special Tax Bonds, Series A (Improvement Area No. 2) (the “Prior CFD No. 15-2 Bonds”). The CFD No. 15-2 Bonds are payable from Special Taxes levied on taxable property in Improvement Area No. 2 of CFD No. 15. See Appendix A — “INFORMATION REGARDING THE TAXING JURISDICTIONS — Community Facilities District No. 15 (Improvement Area No. 2).”

CFD No. 17 Bonds: \$2,375,000* Community Facilities District No. 17 (Aldea Village) of Riverside Unified School District 2015 Special Tax Refunding Bonds (the “CFD No. 17 Bonds”) being issued by the School District on behalf of Community Facilities District No. 17 (Aldea Village) (“CFD No. 17”) to refund the outstanding \$2,910,000 Community Facilities District No. 17 (Aldea Village) of Riverside Unified School District 2005 Special Tax Bonds (the “Prior CFD No. 17 Bonds”). The CFD No. 17 Bonds are payable from Special Taxes levied on taxable property in CFD No. 17. See Appendix A — “INFORMATION REGARDING THE TAXING JURISDICTIONS — Community Facilities District No. 17.”

CFD No. 18 Bonds: \$2,200,000* Community Facilities District No. 18 of Riverside Unified School District 2015 Special Tax Refunding Bonds (the “CFD No. 18 Bonds”) being issued by the School District on behalf of Community Facilities District No. 18 (“CFD No. 18”) to refund the outstanding \$3,090,000 Community Facilities District No. 18 of Riverside Unified School District 2005 Special Tax Bonds (the “Prior CFD No. 18 Bonds”). The CFD No. 18 Bonds are payable from

* Preliminary, subject to change.

Special Taxes levied on taxable property in CFD No. 18. See Appendix A — “INFORMATION REGARDING THE TAXING JURISDICTIONS — Community Facilities District No. 18.”

CFD No. 21-2 Bonds: \$2,880,000* Community Facilities District No. 21 of Riverside Unified School District 2015 Special Tax Refunding Bonds (Improvement Area No. 2) (the “CFD No. 21-2 Bonds”) being issued by the School District on behalf of Community Facilities District No. 21 (“CFD No. 21”) to refund the outstanding \$3,305,000 Community Facilities District No. 21 of Riverside Unified School District 2007 Special Tax Bonds, Series A (Improvement Area No. 2) (the “Prior CFD No. 21-2 Bonds”). The CFD No. 21-2 Bonds are payable from Special Taxes levied on taxable property in Improvement Area No. 2 of CFD No. 21. See Appendix A — “INFORMATION REGARDING THE TAXING JURISDICTIONS — Community Facilities District No. 21 (Improvement Area No. 2).”

CFD No. 22 Bonds: \$4,295,000* Community Facilities District No. 22 of Riverside Unified School District 2015 Special Tax Refunding Bonds (the “CFD No. 22 Bonds”) being issued by the School District on behalf of Community Facilities District No. 22 (“CFD No. 22”) to refund the outstanding \$5,710,000 Community Facilities District No. 22 of Riverside Unified School District 2006 Special Tax Bonds (the “Prior CFD No. 22 Bonds”). The CFD No. 22 Bonds are payable from Special Taxes levied on taxable property in CFD No. 22. See Appendix A — “INFORMATION REGARDING THE TAXING JURISDICTIONS — Community Facilities District No. 22.”

CFD No. 24 Bonds: \$5,040,000* Community Facilities District No. 24 of Riverside Unified School District 2015 Special Tax Refunding Bonds (the “CFD No. 24 Bonds”) being issued by the School District on behalf of Community Facilities District No. 24 (“CFD No. 24”) to refund the outstanding \$5,985,000 Community Facilities District No. 24 of Riverside Unified School District 2006 Special Tax Bonds (the “Prior CFD No. 24 Bonds”). The CFD No. 24 Bonds are payable from Special Taxes levied on taxable property in CFD No. 24. See Appendix A — “INFORMATION REGARDING THE TAXING JURISDICTIONS — Community Facilities District No. 24.”

CFD No. 10, CFD No. 14, CFD No. 17, CFD No. 18, CFD No. 22, CFD No. 24, Improvement Area No. 1 of CFD No. 13, Improvement Area No. 2 of CFD No. 15 and Improvement Area 2 of CFD No. 21 are referred to collectively as the “Taxing Jurisdictions.”

The CFD No. 10 Bonds, the CFD No. 13-1 Bonds, the CFD No. 14 Bonds, the CFD No. 15-2 Bonds, the CFD No. 17 Bonds, the CFD No. 18 Bonds, the CFD No. 21-2 Bonds, the CFD No. 22 Bonds and the CFD No. 24 Bonds are collectively referred to in this Official Statement as the “District Bonds.”

The Prior CFD No. 10 Bonds, the Prior CFD No. 13-1 Bonds, the Prior CFD No. 14 Bonds, the Prior CFD No. 15-2 Bonds, the Prior CFD No. 17 Bonds, Prior CFD No. 18 Bonds, the Prior CFD No. 21-2 Bonds, the Prior CFD No. 22 Bonds and the Prior CFD No. 24 Bonds are collectively referred to in this Official Statement as the “Prior Bonds.”

No additional bonds secured on a parity with the District Bonds may be issued except for refunding purposes.

Legal Authority

The Bonds. The Bonds are being issued under Article 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the “Act”) and an Indenture of Trust dated as of _____ 1,

* Preliminary, subject to change.

2015 (the “Indenture”), by and between the Authority and U.S. Bank National Association, as trustee (the “Trustee”).

The District Bonds. The District Bonds are being issued pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the “Mello-Roos Act”), and 9 separate Fiscal Agent Agreements, each dated as of _____ 1, 2015 (each, a “Fiscal Agent Agreement”), each by and between the School District on behalf of the applicable District and U.S. Bank National Association, as fiscal agent.

Sources of Payment for the Bonds and the District Bonds

The Bonds are secured by a first lien upon and pledge of all of the Revenues and a pledge of all of the moneys in the Interest Account, the Principal Account and the Reserve Fund, including all amounts derived from the investment of such moneys. “Revenues” is defined in the Indenture to include all amounts received by the Trustee from the Fiscal Agent or the School District with respect to the District Bonds. Revenues include amounts received by the Trustee from the Fiscal Agent as a result of the School District’s collection of delinquent installments of Special Taxes levied on parcels of property within any of the Taxing Jurisdictions for which such installments are delinquent and result in penalties and interest.

See “SECURITY FOR THE BONDS — Revenues; Flow of Funds.”

District Bonds. Each District Bond will be payable from Special Tax Revenues (as defined below) collected in the applicable Taxing Jurisdiction as a result of the levy of Special Taxes after payment of administrative expenses in an amount that may not exceed \$[20,000] (each, a “Priority Administrative Expense Amount”).

The District Bonds are not cross-collateralized. In other words, the Special Taxes from one Taxing Jurisdiction cannot be used to cover any shortfall in the payment of debt service on the District Bonds of another Taxing Jurisdiction.

Description of the Bonds

Payments. Interest is payable on September 1, 2015, and semiannually thereafter on March 1 and September 1 each year. Principal of and premium, if any, on the Bonds shall be payable by the Trustee. See “THE BONDS — General Provisions” and “ — Book-Entry Only System.”

Denominations. The Bonds will be issued in integral multiples of \$5,000.

Redemption. The Bonds are subject to redemption prior to their maturity. See “THE BONDS — Redemption.”

Registration, transfers and exchanges. The Bonds will be issued as fully registered bonds, 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”) under the book-entry system maintained by DTC. See “THE BONDS — Payment, Registration, Transfer and Exchange of Bonds” and “Book-Entry Only System.”

The School District

The School District is a unified school district, governed by a five member, elected, Board of Education. The School District encompasses an area of about 92 square miles acres located in the northwestern portion of Riverside County approximately 47 miles east of the Los Angeles civic center. The School District encompasses major portions of the City of Riverside. The District was established in 1963

through the unification of the Riverside City School District (which was founded in 1887) and the Riverside City High School District. The District serves approximately 42,000 students. The District operates thirty elementary schools, seven middle schools, five high schools, two alternative high schools, one virtual school, one adult school and one special education preschool. [CONFIRM]

The Bonds are not a debt of the School District. The District Bonds are special obligations of the School District issued on behalf of the applicable Taxing Jurisdiction, payable solely from and secured solely by the Special Tax Revenues and certain amounts held under the Indenture and Fiscal Agent Agreements. No revenues of the School District are pledged to the repayment of the Bonds or the District Bonds.

The Authority

The Authority is a joint exercise of powers authority organized and existing pursuant to the Act. Its members are the School District and Western Municipal Water District of Riverside County.

Professionals Involved in the Offering

All proceedings in connection with the issuance of the Bonds are subject to the approval of Best Best & Krieger LLP, Riverside, California. Best Best & Krieger LLP will render a legal opinion on certain matters for the Authority. Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, is serving as Disclosure Counsel to the Authority with respect to the Bonds. David Taussig & Associates, Inc., Newport Beach, California, is acting as Special Tax Consultant to the School District. U.S. Bank National Association, Los Angeles, California, will act as the Trustee, Fiscal Agent and Escrow Agent. Fieldman, Rolapp & Associates, Inc., Irvine, California, is acting as financial advisor to the Authority and the School District. Stifel, Nicolaus & Company, Incorporated is acting as underwriter in connection with the issuance and delivery of the Bonds.

Best Best & Krieger LLP, Stradling Yocca Carlson & Rauth, a Professional Corporation, McFarlin & Anderson LLP, and Fieldman, Rolapp & Associates will receive compensation contingent upon issuance of the Bonds. Best Best & Krieger LLP and Stradling Yocca Carlson & Rauth, a Professional Corporation, represent the Underwriter in connection with financings unrelated to the Bonds.

Continuing Disclosure

Pursuant to a Continuing Disclosure Agreement, by and between the Authority and U.S. Bank National Association (the “Dissemination Agent”), dated as of _____ 1, 2015 (the “Continuing Disclosure Agreement”), the Authority has covenanted for the benefit of holders and beneficial owners of the Bonds to provide certain financial information and operating data relating to the Authority and the Taxing Jurisdictions by not later than April 1 following the end of its fiscal year, commencing by April 1, 2015 with the report for the 2013-14 Fiscal Year (the “Annual Report”), and to provide notices of the occurrence of certain enumerated events. The Annual Report will be filed by the Authority with the Electronic Municipal Market Access System of the Municipal Securities Rulemaking Board, which can be found at www.emma.msrb.org (“EMMA”). The notices of material events will be filed by the Authority with EMMA. The specific nature of the information to be contained in the Annual Report or the notices of enumerated events is set forth in APPENDIX F — “FORM OF CONTINUING DISCLOSURE AGREEMENT.” These covenants have been made in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the “Rule”). For a summary of the compliance by the Authority and the School District with their respective continuing disclosure undertakings in the last five years see the heading “MISCELLANEOUS — Continuing Disclosure.”

Bondowners' Risks

Certain events could affect the timely repayment of the principal of and interest on the Bonds when due. See the section of this Official Statement entitled "SPECIAL RISK FACTORS" for a discussion of certain factors which should be considered, in addition to other matters set forth in the Official Statement, in evaluating an investment in the Bonds.

Bond Insurance

The scheduled payment of principal and interest when due on the Bonds will be guaranteed under an insurance policy (the "Policy") to be issued concurrently with the issuance of the Bonds by _____ (the "Insurer"). See "BOND INSURANCE" and APPENDIX H — "SPECIMEN MUNICIPAL BOND INSURANCE POLICY."

The Reserve Fund for the Bonds will be funded by a debt service reserve surety to be provided by the Insurer. See "SECURITY FOR THE BONDS – Reserve Fund."

FINANCING PLAN

Purpose of Issue and the Refunding Plan

Acquisition of the District Bonds. The Authority is issuing the Bonds to purchase the District Bonds. The proceeds of the District Bonds will be used to (i) redeem all of the outstanding Prior Bonds on March 1, 2015 (the "Redemption Date"), (ii) fund the Reserve Fund with respect to the Bonds, and (iii) pay the costs of issuing the Bonds.

Refunding of the Prior Bonds. A portion of the proceeds of the District Bonds, along with other available moneys, will be deposited into the Escrow Funds pursuant to the Escrow Agreements. The funds will be used to pay principal and interest payable on the Prior Bonds through the Redemption Date, and to redeem the remaining outstanding principal amount of the Prior Bonds, as follows:

(a) **Prior CFD No. 10 Bonds:** Proceeds of the CFD No. 10 Bonds deposited into an Escrow Fund relating to the Prior CFD No. 10 Bonds, together with collected Special Tax funds on hand deposited into the Escrow Fund, will be used (i) to pay debt service on the Prior CFD No. 10 Bonds on March 1, 2015 and (ii) on March 1, 2015, to redeem the Prior CFD No. 10 Bonds maturing after March 1, 2015 at a redemption price equal to 101% of the principal amount to be redeemed, together with accrued interest to the Redemption Date.

(b) **Prior CFD No. 13-1 Bonds:** Proceeds of the CFD No. 13-1 Bonds deposited into an Escrow Fund relating to the Prior CFD No. 13-1 Bonds, together with collected Special Tax funds on hand deposited into the Escrow Fund, will be used (i) to pay debt service on the Prior CFD No. 13-1 Bonds on March 1, 2015 and (ii) on March 1, 2015, to redeem the Prior CFD No. 13-1 Bonds maturing after March 1, 2015 at a redemption price equal to 101% of the principal amount to be redeemed, together with accrued interest to the Redemption Date.

(c) **Prior CFD No. 14 Bonds:** Proceeds of the CFD No. 14 Bonds deposited into an Escrow Fund relating to the Prior CFD No. 14 Bonds, together with collected Special Tax funds on hand deposited into the Escrow Fund, will be used (i) to pay debt service on the Prior CFD No. 14 Bonds on March 1, 2015 and (ii) on March 1, 2015, to redeem the Prior CFD No. 14 Bonds maturing after March 1, 2015 at a redemption price equal to 101% of the principal amount to be redeemed, together with accrued interest to the Redemption Date.

(d) **Prior CFD No. 15-2 Bonds:** Proceeds of the CFD No. 15-2 Bonds deposited into an Escrow Fund relating to the Prior CFD No. 15-2 Bonds, together with collected Special Tax funds on hand deposited into the Escrow Fund, will be used (i) to pay debt service on the Prior CFD No. 15-2 Bonds on March 1, 2015

and (ii) on March 1, 2015, to redeem the Prior CFD No. 15-2 Bonds maturing after March 1, 2015 at a redemption price equal to 101% of the principal amount to be redeemed, together with accrued interest to the Redemption Date.

(e) Prior CFD No. 17 Bonds: Proceeds of the CFD No. 17 Bonds deposited into an Escrow Fund relating to the Prior CFD No. 17 Bonds, together with collected Special Tax funds on hand deposited into the Escrow Fund, will be used (i) to pay debt service on the Prior CFD No. 17 Bonds on March 1, 2015 and (ii) on March 1, 2015, to redeem the Prior CFD No. 17 Bonds maturing after March 1, 2015 at a redemption price equal to 101% of the principal amount to be redeemed, together with accrued interest to the Redemption Date.

(f) Prior CFD No. 18 Bonds: Proceeds of the CFD No. 18 Bonds deposited into an Escrow Fund relating to the Prior CFD No. 18 Bonds, together with collected Special Tax funds on hand deposited into the Escrow Fund, will be used (i) to pay debt service on the Prior CFD No. 18 Bonds on March 1, 2015 and (ii) on March 1, 2015, to redeem the Prior CFD No. 18 Bonds maturing after March 1, 2015 at a redemption price equal to 101% of the principal amount to be redeemed, together with accrued interest to the Redemption Date.

(g) Prior CFD No. 21-2 Bonds: Proceeds of the CFD No. 21-2 Bonds deposited into an Escrow Fund relating to the Prior CFD No. 21-2 Bonds, together with collected Special Tax funds on hand deposited into the Escrow Fund, will be used (i) to pay debt service on the Prior CFD No. 21-2 Bonds on March 1, 2015 and (ii) on March 1, 2015, to redeem the Prior CFD No. 21-2 Bonds maturing after March 1, 2015 at a redemption price equal to 103% of the principal amount to be redeemed, together with accrued interest to the Redemption Date.

(h) Prior CFD No. 22 Bonds: Proceeds of the CFD No. 22 Bonds deposited into an Escrow Fund relating to the Prior CFD No. 22 Bonds, together with collected Special Tax funds on hand deposited into the Escrow Fund, will be used (i) to pay debt service on the Prior CFD No. 22 Bonds on March 1, 2015 and (ii) on March 1, 2015, to redeem the Prior CFD No. 22 Bonds maturing after March 1, 2015 at a redemption price equal to 102% of the principal amount to be redeemed, together with accrued interest to the Redemption Date.

(i) Prior CFD No. 24 Bonds: Proceeds of the CFD No. 24 Bonds deposited into an Escrow Fund relating to the Prior CFD No. 24 Bonds, together with collected Special Tax funds on hand deposited into the Escrow Fund, will be used (i) to pay debt service on the Prior CFD No. 24 Bonds on March 1, 2015 and (ii) on March 1, 2015, to redeem the Prior CFD No. 24 Bonds maturing after March 1, 2015 at a redemption price equal to 102% of the principal amount to be redeemed, together with accrued interest to the Redemption Date.

Certain moneys in the existing funds and accounts relating to the Prior Bonds also will be transferred to the Escrow Funds and be applied to the defeasance of the Prior Bonds. See “— Estimated Sources and Uses of Funds” below. See also “MISCELLANEOUS — Verification of Mathematical Accuracy” below.

Estimated Sources and Uses of Funds

The Bonds. The anticipated sources and uses of funds relating to the Bonds are as follows:

Sources:	
Principal Amount of the Bonds	\$ _____
Plus/Less Net Original Issue Premium/Discount	_____
Total Sources	\$ _____
Uses:	
District Bonds Purchase Fund ⁽¹⁾	\$ _____
Total Uses	\$ _____

⁽¹⁾ Proceeds deposited in the District Bonds Purchase Fund will be used to acquire the District Bonds.

District Bonds. The anticipated sources and uses of funds relating to the District Bonds are as follows:

Sources:	<i>CFD No. 10</i>	<i>CFD No. 13-1</i>	<i>CFD No. 14</i>	<i>CFD No. 15-2</i>	<i>CFD No. 17</i>
Par Amount	\$	\$	\$	\$	\$
Plus/Less Net Premium/Discount					
Prior Bonds' Debt Service Reserve					
Prior Bonds' Debt Service Fund	_____	_____	_____	_____	_____
Total Sources	<u><u>\$</u></u>	<u><u>\$</u></u>	<u><u>\$</u></u>	<u><u>\$</u></u>	<u><u>\$</u></u>
Uses:					
Escrow Fund	\$	\$	\$	\$	\$
Cost of Issuance Fund ⁽¹⁾					
Underwriter's Discount	_____	_____	_____	_____	_____
Total Uses	<u><u>\$</u></u>	<u><u>\$</u></u>	<u><u>\$</u></u>	<u><u>\$</u></u>	<u><u>\$</u></u>

⁽¹⁾ On the date of issuance of the Bonds and the District Bonds, each District will deposit a proportionate share of the proceeds of its District Bonds into its Cost of Issuance Fund. Amounts in the Cost of Issuance Fund will be used to pay Trustee fees, Fiscal Agent Fees, Bond Counsel fees, Disclosure Counsel fees, Financial Advisor fees, Verification Agent fees, Escrow Agent fees, insurance premium, reserve surety premium, printing costs, rating agency fees and other related costs.

Sources:	<i>CFD No. 18</i>	<i>CFD No. 21-2</i>	<i>CFD No. 22</i>	<i>CFD No. 24</i>	<i>Total</i>
Par Amount	\$	\$	\$	\$	\$
Plus/Less Net Premium/Discount					
Prior Bonds' Debt Service Reserve					
Prior Bonds' Debt Service Fund	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Sources	<u>\$ </u>	<u>\$ </u>	<u>\$ </u>	<u>\$ </u>	<u>\$ </u>
Uses:					
Escrow Fund	\$	\$	\$	\$	\$
Cost of Issuance Fund ⁽¹⁾					
Underwriter's Discount	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Uses	<u>\$ </u>	<u>\$ </u>	<u>\$ </u>	<u>\$ </u>	<u>\$ </u>

⁽¹⁾ On the date of issuance of the Bonds and the District Bonds, each District will deposit a proportionate share of the proceeds of its District Bonds into its Cost of Issuance Fund. Amounts in the Cost of Issuance Fund will be used to pay Trustee fees, Fiscal Agent Fees, Bond Counsel fees, Disclosure Counsel fees, Financial Advisor fees, Verification Agent fees, Escrow Agent fees, insurance premium, reserve surety premium, printing costs, rating agency fees and other related costs.

THE BONDS

General Provisions

The Bonds will be dated their date of delivery, and will be issued in the aggregate principal amounts set forth on the inside cover of this Official Statement. The Bonds will bear interest from their dated date at the rates per annum set forth on the inside cover of this Official Statement, payable on September 1, 2015 and semiannually on each March 1 and September 1 thereafter (each, an “Interest Payment Date”), and will mature in the amounts and on the dates set forth on the inside front cover. The Bonds will be issued in fully registered form in integral multiples of \$5,000.

Interest on the Bonds will be payable on each Interest Payment Date to the person whose name appears on the Registration Books as the Owner as of the Record Date immediately preceding each Interest Payment Date. Interest will be paid by check of the Trustee mailed on the Interest Payment Date by first class mail, postage prepaid, to the Owner at the address as it appears on the Registration Books or by wire transfer to an account in the United States of America upon instructions of any Owner of \$1,000,000 or more in aggregate principal amount of Bonds provided to the Trustee, in writing, prior to any Record Date for such Interest Payment Date. Any such written request shall remain in effect until rescinded in writing by the Owner. The Bonds are issued in fully registered form and will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository of the Bonds. Ownership interests in the Bonds may be purchased in book-entry form only in integral multiples \$5,000. See the subsection hereof entitled “Book-Entry Only System.”

Principal of and premium (if any) on any Bond will be paid upon presentation and surrender, at maturity or the prior redemption, at the Trust Office of the Trustee.

Each Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date; provided, however, that if, as of the date of authentication of any Bond, interest is in default, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment.

Redemption

Optional Redemption. * [The Bonds maturing on or prior to September 1, 2024 are not subject to optional redemption. The Bonds maturing on or after September 1, 2025 are subject to redemption prior to their stated maturity dates on any date on or after March 1, 2025, as selected by the Authority, in integral multiples of \$5,000, at the option of the School District from moneys derived by the Authority from any source, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest to the date of redemption, without premium.] [DISCUSS]

* Preliminary, subject to change.

Mandatory Redemption from Special Tax Prepayments. * The Bonds are subject to mandatory redemption prior to their stated maturity dates on any Interest Payment Date, as selected by the Authority, in integral multiples of \$5,000, from moneys derived by the Authority from mandatory redemption of the District Bonds as a result of Special Tax Prepayments, at redemption prices (expressed as percentages of the principal amounts of the Bonds to be redeemed), together with accrued interest to the date of redemption, as follows:

Redemption Period	Redemption Price
September 1, 2015, through September 1, 2022	103%
March 1, 2023 and September 1, 2023	102
March 1, 2024 and September 1, 2024	101
March 1, 2025 and any Interest Payment Date thereafter	100

Mandatory Sinking Fund Redemption. The Bonds maturing on September 1, 20__ are subject to mandatory sinking fund redemption prior to maturity, in part, on September 1, 20__, and on each September 1 thereafter by lot, from sinking fund payments at a redemption price equal to the principal amount of Bonds to be redeemed, together with accrued interest to the date of redemption, without premium, as follows:

Redemption Date (September 1)	Redemption Amount
	\$

(maturity)

The amounts in the foregoing mandatory sinking fund payment schedule with respect to the Term Bonds will be reduced by the Authority pro rata among redemption dates, in order to maintain substantially level debt service with respect to the Bonds, as a result of any prior or partial redemption of the Bonds.

Notice of Redemption. The Trustee on behalf and at the expense of the Authority shall mail (by first class mail) notice of any redemption to the respective Owners of any Bonds designated for redemption at their respective addresses appearing on the Registration Books, and to the Securities Depositories and to one or more Information Services, at least 30 but not more than 60 days prior to the date fixed for redemption; provided, however, that neither failure to receive any such notice so mailed nor any defect shall affect the validity of the proceedings for the redemption of such Bonds or the cessation of the accrual of interest. Such notice shall state the date of the notice, the redemption date, the redemption place, the redemption price and shall designate the CUSIP numbers and the serial numbers of the Bonds of each maturity or maturities (except that in the event of redemption of all of the Bonds of any maturity in whole, the Trustee shall designate such maturity without referencing the number of each individual Bond) of the Bonds to be redeemed, and shall require that such Bonds be then surrendered at the Trust Office of the Trustee for redemption at the redemption price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date. The Trustee shall not be liable or responsible for giving notice of redemption unless it receives notice of such redemption from the Authority at least 45 days prior to the date of redemption.

* Preliminary, subject to change.

Additionally, on receiving notice from the Fiscal Agent pursuant to any of the Fiscal Agent Agreements, the Authority shall notify the Trustee that Bonds are to be redeemed as described above, utilizing the moneys which will be received by the Trustee as the redemption prices of the District Bonds which are to be redeemed. Upon receiving such a notice from the Authority, the Trustee shall mail notice of the redemption of the Bonds which are to be redeemed to the Owners as described above.

In the case of an optional or mandatory redemption of Bonds, such notice may also provide that such redemption of the Bonds is contingent upon receipt by the Trustee, on or before the redemption date, of moneys sufficient to pay the redemption price for the Bonds to be redeemed, and that such notice will be cancelled and of no further effect if such moneys are not so received by the Trustee.

Selection of Bonds of a Maturity for Redemption. Whenever provision is made in the Indenture for the optional redemption or mandatory redemption from Special Tax Prepayments of less than all or a portion of the Bonds of a maturity, the Authority shall select the Bonds pro rata among such maturities to be redeemed or portion thereof not previously called for redemption in any manner which the Authority in its sole discretion shall deem appropriate. For purposes of such selection, all Bonds to be redeemed shall be treated as separate \$5,000 portions and such portions shall be treated as separate Bonds which may be separately redeemed.

Partial Redemption of Bonds. In the event only a portion of any Bond is called for redemption, upon surrender of such Bond the Authority shall execute and the Trustee shall authenticate and deliver to the Owner, at the expense of the Authority, a new Bond or Bonds of the maturity date, of authorized denominations, in aggregate principal amount equal to the unredeemed portion of the Bond to be redeemed.

Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the principal of and interest (and premium, if any) on the Bonds called for redemption shall have been duly provided, such Bonds shall cease to be entitled to any benefit under the Indenture other than the right to receive payment of the redemption price, and no interest shall accrue from and after the redemption date specified in such notice. All Bonds redeemed pursuant to the Indenture shall be cancelled and shall be destroyed by the Trustee.

Payment, Registration, Transfer and Exchange of Bonds

Book-Entry Only System. The Bonds will be issued as fully registered bonds, 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 above, under the book-entry system maintained by DTC, only through brokers and dealers who are or act through DTC Participants as described in this Official Statement. Beneficial Owners will not be entitled to receive physical delivery of the Bonds. See “THE BONDS — Book-Entry Only System.” In the event that the book-entry-only system is no longer used with respect to the Bonds, the Bonds will be registered and transferred in accordance with the Indenture.

Transfer of Bonds. Subject to the book-entry only provisions of the Indenture, any Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer in a form approved by the Trustee, duly executed. Whenever any Bond shall be surrendered for transfer, the Authority shall execute and the Trustee shall authenticate and deliver to the transferee a new Bond or Bonds of like tenor, maturity and aggregate principal amount. The Trustee will require the Owner requesting such transfer to pay any tax or other governmental charge required to be paid with respect to such transfer. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer shall be paid by the Authority. The Trustee shall not be required to transfer either (a) any Bonds during the 15 day period preceding the selection of Bonds for redemption, or (b) any Bonds selected for redemption pursuant to the Indenture.

Exchange of Bonds. Subject to the book-entry only provisions of the Indenture, Bonds may be exchanged at the Trust Office of the Trustee for Bonds of the same tenor and maturity and of other authorized denominations. The Trustee shall require the Owner requesting such exchange to pay any tax or other governmental charge required to be paid with respect to such exchange. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any exchange shall be paid by the Authority. The Trustee shall not be required to exchange either (a) any Bonds during the 15-day period preceding the selection of Bonds for redemption, or (b) any Bonds selected for redemption pursuant to the Indenture.

Registration Books. The Trustee will keep or cause to be kept at its Trust Office sufficient records for the registration and transfer of the Bonds, which shall at all times during regular business hours be open to inspection by the Authority with reasonable prior notice; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said records, Bonds as provided in the Indenture.

Book-Entry Only System

While the Bonds are subject to the book-entry system, the principal, interest and any redemption premium with respect to a Bond will be paid by the Trustee to DTC, which in turn is obligated to remit such payment to its DTC Participants for subsequent disbursement to Beneficial Owners of the Bonds, as described in APPENDIX G — “DTC AND THE BOOK-ENTRY ONLY SYSTEM.” So long as Cede & Co. is the registered owner of the Bonds, references in this Official Statement to the Owners of the Bonds shall mean Cede & Co. and *not* the Beneficial Owners of the Bonds. The Authority gives no assurance that DTC or the DTC Participants will distribute payments or notices to Beneficial Owners.

Estimated Debt Service Schedules: Bonds and District Bonds

The District Bonds acquired with proceeds of the Bonds mature on different dates. Consequently, the source of security for debt service on the Bonds varies depending upon the characteristics of the underlying Taxing Jurisdictions. The following table presents the debt service schedules for the Bonds, assuming there are no redemptions of Bonds prior to their respective maturities (other than as a result of mandatory sinking fund payments):

**TABLE 1
DEBT SERVICE SCHEDULE FOR THE BONDS**

<i>Year Ending September 1</i>	<i>Principal</i>	<i>Interest</i>	<i>Total Debt Service</i>
2015	\$	\$	\$
2016			
2017			
2018			
2019			
2020			
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
Total	<u>\$</u>	<u>\$</u>	<u>\$</u>

The following table summarizes the anticipated debt service payments to be received by the Authority as the result of its ownership of the District Bonds, assuming there are no redemptions of District Bonds prior to their respective maturities (other than as a result of mandatory sinking fund payments). The following schedule does not include an allowance for delinquencies in the payment of Special Taxes.

**TABLE 2
DEBT SERVICE SCHEDULE FOR THE DISTRICT BONDS**

<i>Bond Year Ending September 1</i>	<i>CFD No. 10</i>	<i>CFD No. 13-1</i>	<i>CFD No. 14</i>	<i>CFD No. 15-2</i>	<i>CFD No. 17</i>
2015	\$	\$	\$	\$	\$
2016					
2017					
2018					
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					
2037					
Total	\$ =====	\$ =====	\$ =====	\$ =====	\$ =====

<i>Bond Year Ending September 1</i>	<i>CFD No. 18</i>	<i>CFD No. 21-2</i>	<i>CFD No. 22</i>	<i>CFD No. 24</i>	<i>Total Revenues</i>
2015	\$	\$	\$	\$	\$
2016					
2017					
2018					
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					
2037					
Total	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

Debt Service Coverage for the Bonds

Scheduled payments of principal of, including mandatory sinking fund payments, and interest on the Bonds equals 100% of the projected Revenues that will be generated by the anticipated payment of debt service on each of the District Bonds while the Bonds are outstanding.

**RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY
DEBT SERVICE COVERAGE***

<i>Year Ending September 1</i>	<i>Total Revenues⁽¹⁾</i>	<i>Bonds Debt Service</i>	<i>Bonds Debt Service Coverage⁽²⁾</i>
2015	\$3,189,719	\$3,189,719	100.00%
2016	3,189,450	3,189,450	100.00
2017	3,208,250	3,208,250	100.00
2018	3,234,450	3,234,450	100.00
2019	3,247,650	3,247,650	100.00
2020	3,248,250	3,248,250	100.00
2021	3,277,500	3,277,500	100.00
2022	3,291,750	3,291,750	100.00
2023	3,296,500	3,296,500	100.00
2024	3,327,000	3,327,000	100.00
2025	3,351,750	3,351,750	100.00
2026	3,355,750	3,355,750	100.00
2027	3,379,750	3,379,750	100.00
2028	3,402,500	3,402,500	100.00
2029	3,413,750	3,413,750	100.00
2030	3,438,750	3,438,750	100.00
2031	3,461,500	3,461,500	100.00
2032	3,476,750	3,476,750	100.00
2033	3,499,500	3,499,500	100.00
2034	3,519,000	3,519,000	100.00
2035	2,820,000	2,820,000	100.00
2036	748,000	748,000	100.00
2037	273,000	273,000	100.00

* Preliminary, subject to change.

(1) Revenues consist of debt service on the District Bonds.

(2) Total Revenues divided by Bonds Debt Service, expressed as a percentage.

Source: David Tausig & Associates, Inc.

Debt Service Coverage for the District Bonds

Annual debt service for each of the District Bonds has been structured so that Maximum Special Taxes that can be levied on property categorized as Developed Property in the applicable Taxing Jurisdiction for Fiscal Year 2015-16, less the Priority Administrative Expense Amount and assuming no delinquencies, would generate in each fiscal year not less than 110% of debt service payable with respect to such District Bonds. See “THE TAXING JURISDICTIONS” and APPENDIX A — “INFORMATION REGARDING THE TAXING JURISDICTIONS.”

SECURITY FOR THE BONDS

General

As described below, the Bonds are payable primarily from Revenues, consisting primarily of amounts received by the Authority as the result of its purchase of the District Bonds.

The Bonds are special obligations of the Authority payable solely from and secured solely by the Revenues pledged in the Indenture. The Bonds are not a debt or liability of the School District, the State of California or any political subdivisions of the State of California other than the Authority to the limited extent described in this Official Statement. The faith and credit of the Authority are not pledged to secure the payment of Bonds, nor is any of the Authority's political subdivisions liable, nor in any event shall the Bonds or any interest or redemption premium be payable out of any funds or properties other than those of the Authority as set forth in the Indenture. The Authority has no taxing power.

Revenues; Flow of Funds

Revenues. The Bonds are secured by a first lien on and pledge of all of the Revenues. So long as any of the Bonds are Outstanding, the Revenues will not be used for any purpose except as is expressly permitted by the Indenture.

“Revenues” includes all amounts received by the Trustee from the Fiscal Agent or the School District with respect to the District Bonds. Revenues include amounts received by the Trustee from the School District from the collection of delinquent installments of Special Taxes levied on parcels of property within any of the Taxing Jurisdictions for which such installments are delinquent and penalties and interest.

Assignment of Revenues. Pursuant to the Indenture, the Authority has transferred in trust and assigned to the Trustee for the benefit of the Owners of the Bonds, all of the Revenues and all of the right, title and interest of the Authority in the District Bonds and the Fiscal Agent Agreements. The Trustee is entitled to and will receive all of the Revenues, and any Revenues collected or received by the Authority will be deemed to be held, and to have been collected or received, by the Authority as the agent of the Trustee and will forthwith be paid by the Authority to the Trustee. The Trustee also will be entitled to and will take all steps, actions and proceedings reasonably necessary in its judgment to enforce, either jointly with the Authority or separately, all of the rights of the Authority and all of the obligations of the School District and the Taxing Jurisdictions under the District Bonds and the Fiscal Agent Agreements.

Deposit of Revenues. All Revenues derived from the District Bonds will be promptly deposited by the Trustee upon receipt in the Revenue Fund, which the Trustee shall establish, maintain and hold in trust under the Indenture.

Application of Revenues. On or before each date on which interest, principal or the redemption price for the Bonds becomes due and payable, the Trustee shall transfer from the Revenue Fund and deposit into the following respective accounts (each of which the Trustee shall establish and maintain within the Revenue Fund), the following amounts in the order of priority described below, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

Interest Account. On or before each March 1 and September 1, the Trustee shall deposit in the Interest Account amounts required to cause the amount on deposit in the Interest Account to equal the amounts of interest becoming due and payable on the Bonds, on such date. No deposit need be made into the Interest Account on any date if the amount on deposit is at least equal to the interest becoming due and payable on the Bonds or on such date. All moneys in the Interest Account shall be

used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds redeemed prior to maturity). All amounts on deposit in the Interest Account on the first day of any Bond Year, to the extent not required to pay any interest then having become due and payable on the Outstanding Bonds, shall be withdrawn by the Trustee and transferred to the Surplus Account.

Principal Account. On or before each September 1, the Trustee shall deposit in the Principal Account amounts required to cause the aggregate amount on deposit in the Principal Account to equal the principal amounts of the Bonds becoming due and payable on such date, or the redemption price of the Bonds (consisting of the principal amount and any applicable redemption premium) required to be redeemed on such date. All moneys in the Principal Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Bonds at the maturity. All amounts on deposit in the Principal Account on the first day of any Bond Year, to the extent not required to pay the principal of any Outstanding Bonds then having become due and payable shall be withdrawn by the Trustee and transferred to the Surplus Account.

Reserve Fund. After making required deposits to the Interest and Principal Accounts, the Trustee shall deposit moneys available in the Revenue Fund to the Reserve Fund in an amount necessary to restore the amount therein to the Reserve Requirement.

Surplus Account of the Revenue Fund. On the first Business Day following each Interest Payment Date, the Trustee shall transfer any moneys remaining on deposit in the Revenue Fund to the Surplus Account. On or before the March 1 Interest Payment Date in each Bond Year, the Trustee shall transfer moneys from the Surplus Account, to the extent of the moneys on deposit and in the order of priority described below, to the Interest Account in an amount equal to any deficiency in the amount of other moneys which are on deposit in the Revenue Fund and available for transfer to and deposit in such account to pay the full amount of the interest on the Bonds which is due and payable on such Interest Payment Date.

On or before the September 1 Interest Payment Date in each Bond Year, the Trustee shall transfer moneys from the Surplus Account, to the extent of the moneys on deposit, first to the Interest Account and thereafter to the Principal Account in amounts equal to any deficiency in the amount of other moneys which are on deposit in the Revenue Fund and available for transfer to and deposit in such accounts to pay the full amount of the interest on and principal of the Bonds which is due and payable on such Interest Payment Date.

On September 2 of each year, commencing on September 2, 2015, the Trustee shall transfer from the amount remaining on deposit in the Surplus Account first to the Reserve Fund the amount, if any, which is necessary to bring the amount on deposit equal to the Reserve Requirement, and after making any such transfer, the Trustee shall transfer the full amount of any moneys remaining on deposit in the Surplus Account to the Fiscal Agent for deposit in the Special Tax Funds established and maintained pursuant to the Fiscal Agent Agreements. The amount to be deposited by the Fiscal Agent in each such Special Tax Fund on September 2 of each such year shall be determined by dividing the total amount of the Revenues for the preceding Fiscal Year by the amount of the Debt Service on the District Bonds for each District for the Bond Year (as defined in such Fiscal Agent Agreements) which ended on the preceding September 1, and such amounts shall be determined by the School District and specified in a certificate of an Authorized Officer of the School District which shall be delivered to the Fiscal Agent (upon which the Fiscal Agent may conclusively rely) at least two Business Days before September 2 of each such year.

On or before May 30 of each year, commencing on May 30, 2015, the Trustee shall notify the Authority and the School District of the amount which is then on deposit in the Surplus Account and

of the aggregate amount of the principal of and interest on the Bonds which will become due and payable on the following September 1.

In the event that moneys on deposit in the Revenue Fund, including moneys on deposit in the Surplus Account, will be insufficient on any Interest Payment Date for the Trustee to deposit the required amounts in the Interest Account and the Principal Account, or either of such accounts, as provided above, the Trustee shall deposit the available funds first to the Interest Account in the full amount required to cause the aggregate amount on deposit to equal the amount of interest becoming due and payable on the Bonds on the Interest Payment Date, and shall then deposit the remaining available funds in the Revenue Fund to the Principal Account in the full amount required to cause the aggregate amount on deposit to equal the amount, if any, of principal becoming due and payable on the Bonds on the Interest Payment Date.

Reserve Fund

The Trustee shall establish, maintain and hold in trust the “Reserve Fund.” Moneys in the Reserve Fund shall be held in trust by the Trustee for the benefit of the Owners of the Bonds or, if Parity Bonds are issued, the Bonds and such Parity Bonds. Parity Bonds may only be issued for refunding purposes. See “— Parity Bonds” below.

The Reserve Fund will be initially funded by the deposit of a reserve surety therein in the amount of the Reserve Requirement. The “Reserve Requirement” shall equal \$_____ as of the Closing Date, which is the lesser of (i) 10% of the total of the proceeds of the sale of the Bonds, (ii) total of Maximum Annual Debt Service on the Bonds or (iii) 125% of the total of average Annual Debt Service on the Bonds. The Reserve Requirement may be reduced on any Calculation Date. “Calculation Date” means (1) September 2 of any Bond Year prior to the final maturity date of any District Bond; and (2) any date after the redemption of Bonds pursuant to the provisions of the Indenture providing for optional redemption of the Bonds and mandatory redemption of the Bonds from Special Tax Prepayments.

Except as otherwise provided in the Indenture, all amounts deposited in the Reserve Fund shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and Principal Account in the event of any deficiency at any time in either such account of the amount then required for payment of the principal of and interest and any premium on the Bonds or for the purpose of redeeming the Bonds.

As provided in each of the Fiscal Agent Agreements, amounts transferred from the Reserve Fund to the Interest Account and the Principal Account as a result of a deficiency in the collection of the Special Tax Revenues that relate to any District (a “Delinquent District”), shall be restored by the School District from the collection of delinquent installments on the Special Taxes levied on parcels within the Delinquent District, or Delinquent Districts, for which such installments are delinquent, with related penalties and interest, whether by judicial foreclosure proceedings or otherwise, as soon as is reasonably possible following receipt by the School District of such delinquent installments, penalties and interest, and from amounts which the School District is obligated, pursuant to the applicable Fiscal Agent Agreement, to include in the levy of Special Taxes on parcels within the Delinquent District(s) in subsequent Fiscal Years.

Transfers on Payment of Special Tax Prepayment. Whenever the Trustee receives from the Fiscal Agent (i) an Officer’s Certificate received from the School District, pursuant to the Fiscal Agent Agreement for any District and its Outstanding District Bonds notifying the Fiscal Agent that the obligation of a lot or parcel of property within the District identified in such Officer’s Certificate (the “Specified District”), for the payment of the Special Taxes with respect to the District Bonds of the Specified District, has been fully paid and satisfied by payment of a Special Tax Prepayment, and (ii) the amount of the redemption price, except the portion which will be provided from the Transferred Amount (as defined below) for the Outstanding District Bonds of the Specified District which are being redeemed as a result of such Special Tax Prepayment, which

shall also be specified in such Officer's Certificate, and following the deposit of such amount in the Redemption Fund, the Trustee shall transfer from the Reserve Fund, to the extent that funds are available, to the Redemption Fund the amount, as specified in such Officer's Certificate, which the Trustee is to transfer from the Reserve Fund to the Redemption Fund. Each such Officer's Certificate shall be accompanied by a report of the Special Tax Consultant verifying the accuracy of the calculation of the amount to be transferred from the Reserve Fund to the Redemption Fund ("Verification").

Upon receipt of such an Officer's Certificate and accompanying Verification, and the amount of such redemption price, the Trustee is authorized to act without further inquiry to the same extent as it is authorized to act upon receipt of a Certificate of the Authority, shall not be responsible for the accuracy of the statements contained in such Certificate of the Authority, and shall be absolutely protected and incur no liability in relying on such Officer's Certificate and the accompanying Verification. Upon each such transfer of an amount (the "Transferred Amount") of moneys from the Reserve Fund to the Redemption Fund, an amount of the principal of the Outstanding District Bonds of the Specified District equal to the maximum portion of the Transferred Amount which is equally divisible by \$5,000 shall be deemed to have been redeemed (the "Redeemed Amount"), and the Trustee shall utilize a portion of the Transferred Amount which is equal to the Redeemed Amount to redeem the Bonds.

The Trustee shall transfer the portion, if any, of the Transferred Amount in excess of the Redeemed Amount to the Principal Account, and shall utilize such amount to pay the principal of the Bonds on the next Interest Payment Date upon which such principal is due and payable. Notwithstanding any other provision of the Indenture, upon each such transfer of moneys from the Reserve Fund to the Redemption Fund or the Principal Account, the Reserve Requirement shall be reduced correspondingly.

Transfers on Payment of Final Installments of the Special Taxes. Prior to the Final Payment Date for the Outstanding District Bonds of any District (the "Maturing District Bonds"), the Trustee shall transfer a portion of the amount on deposit in the Reserve Fund to the Revenue Fund for the payment of the portion of the debt service on the Outstanding Bonds which relates to the Maturing District Bonds.

Notwithstanding the provisions described above under the preceding paragraph, the Trustee shall not transfer any amount from the Reserve Fund to the Principal Account if any amount which has previously been withdrawn from the Reserve Fund has not been restored by the School District as provided in the Indenture.

Parity Bonds

The Authority may issue Parity Bonds for the purpose of defeasing and refunding all or a portion of the Outstanding Bonds or any Parity Bonds which may, but need not, be accomplished through the purchase of District Bonds issued by any District, by means of a Supplemental Indenture and without the consent of any Bond Owners, pursuant to the provisions of the Indenture. See APPENDIX B — "SUMMARY OF PRINCIPAL LEGAL DOCUMENTS — DISCHARGE OF INDENTURE." The Authority will covenant in the Indenture that except for the issuance of Parity Bonds to defease or refund all or a portion of the Outstanding Bonds or any Parity Bonds, no additional bonds, notes or other indebtedness will be issued or incurred which are payable out of the Revenues, in whole or in part.

SECURITY FOR THE DISTRICT BONDS

General

Each District Bond is a special obligation of the School District on behalf of the applicable Tax Jurisdiction, payable solely from and secured solely by Special Tax Revenues (defined below), less the Priority Administrative Expense Amount for each Taxing Jurisdiction, collected in the applicable Taxing Jurisdiction, the amounts in the Bond Fund, including the Special Tax Prepayments Account for the purpose of redeeming

District Bonds, and the Special Tax Fund, including the Surplus Account, established in each Fiscal Agent Agreement, and the Reserve Fund.

No District Bond (and no Parity Bonds issued under the Fiscal Agent Agreement relating to the District Bonds, each a “District Bond Parity Bond”) is a legal or equitable pledge, charge, lien or encumbrance upon any of the District’s property, or upon any of its income, receipts or revenues, except the Special Tax Revenues collected in the applicable District and other amounts in the Special Tax Fund.

None of the Special Taxes levied in one Taxing Jurisdiction may be used to pay debt service on the District Bonds of another Taxing Jurisdiction. Except for the Special Tax Revenues for each Taxing Jurisdiction, neither the credit nor the taxing power of the Taxing Jurisdictions or the School District is pledged for the payment of the District Bonds or related interest, and no Owner of the District Bonds may compel the exercise of taxing power by a District or the forfeiture of any of its property. The principal of and interest on the District Bonds and premiums upon redemption, if any, are not a debt of any District or the School District, the State of California or any of its political subdivisions within the meaning of any constitutional or statutory limitation or restriction.

Special Tax Revenues

The “Special Taxes” for each Taxing Jurisdiction are levied and collected according to the rates and method of apportionment (each, a “Rates and Method”) established for such Taxing Jurisdiction. See “THE TAXING JURISDICTIONS,” APPENDIX A — “INFORMATION REGARDING THE TAXING JURISDICTIONS” and APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

The “Special Tax Revenues” pledged by each District to the related the District Bonds (and any related District Bond Parity Bonds) is defined in the Fiscal Agent Agreements as the proceeds of the Special Taxes received by the School District, including any scheduled payments, interest and penalties and proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of the Special Taxes in the amount of the delinquent special taxes and related interest and penalties.

“Special Taxes” means the special taxes levied by the Board of Education of the School District on parcels of taxable property within the applicable Taxing Jurisdiction pursuant to the Mello-Roos Act and the applicable Fiscal Agent Agreement to pay debt service on the District Bonds and Administrative Expenses.

Levy of Special Taxes. The School District has covenanted in the Fiscal Agent Agreements to comply with all requirements of the Mello-Roos Act, including the enactment of necessary Ordinances, so as to assure the timely collection of Special Tax Revenues, including without limitation, the enforcement of the payment or collection of delinquent Special Taxes.

Under each Fiscal Agent Agreement, on or within five Business Days of May 1 of each year, the Fiscal Agent shall provide the School District with a notice stating the amount then on deposit in the Special Tax Fund, the Bond Fund and the Reserve Fund. Upon receipt of such notice, the School District shall communicate with the Auditor-Controller of the County of Riverside (the “Auditor”) to ascertain the relevant parcels on which the Special Taxes are to be levied, taking into account any parcel splits during the preceding and then current Fiscal Year.

The School District will levy Special Taxes each Fiscal Year in accordance with the Mello-Roos Act by August 1 of each year (or such later date as may be authorized by the Mello-Roos Act) that the District Bonds are Outstanding, such that the computation of the levy is complete before the final date on which the Auditor will accept the transmission of the Special Tax amounts for the parcels within the District for inclusion on the tax roll for the Fiscal Year then beginning.

Upon the completion of the computation of the amounts of the levy of the Special Taxes, the School District shall prepare or cause to be prepared, and shall transmit to the Auditor, such data as the Auditor requires to include the levy of the Special Taxes on the tax roll. Notwithstanding the above, the Board of Education of the School District may elect, as permitted by the Mello-Roos Act, to collect the Special Taxes to be levied for any Fiscal Year directly from the owners of the parcels of taxable property upon which the Special Taxes are levied rather than by transmitting the Special Taxes to the Auditor for collection on the tax roll; provided that, in such event, the School District shall otherwise comply with the provisions of the Fiscal Agent Agreements.

Collection of Special Tax Revenues. The School District shall fix and levy the amount of Special Taxes within the District required for the payment of the principal of and interest on any Outstanding District Bonds becoming due and payable during the ensuing calendar year, including any necessary replenishment or expenditure of the Reserve Fund, and the amount estimated to be sufficient to pay the Administrative Expenses during such calendar year.

The Special Taxes shall be payable and be collected (except in the event of judicial foreclosure proceedings) in the same manner and at the same time and in the same installments as the general taxes on real property are payable, and have the same priority, become delinquent at the same times and in the same proportionate amounts and bear the same proportionate penalties and interest after delinquency as do the general taxes on real property.

The School District will not, in collecting the Special Taxes or in processing any such judicial foreclosure proceedings, exercise any authority which it has pursuant to Sections 53340, 53344.1, 53356.1 and 53356.8 of the California Government Code in any manner which would materially and adversely affect the interests of the District Bondowners and, in particular, will not permit the tender of District Bonds in full or partial payment of any Special Taxes except upon receipt of a certificate of an Independent Financial Consultant that to accept such tender will not result in the School District having insufficient Special Tax Revenues to pay the principal of and interest on the District Bonds remaining Outstanding following such tender.

Disbursements from the Special Tax Fund. As soon as practicable after the receipt from the School District of any Special Tax Revenues, but no later than ten Business Days after such receipt, the Fiscal Agent shall withdraw from the Special Tax Fund and deposit in the Administrative Expense Fund the Priority Administrative Expense Amount.

After such deposit, on or before each Interest Payment Date, the Fiscal Agent shall deposit in the Interest Account and the Principal Account of the Bond Fund the amounts required to pay the interest on and principal of the District Bonds on such Interest Payment Date. If after such deposits are made to the Administrative Expense Fund, the Interest Account and the Principal Account there are funds remaining on deposit in the Special Tax Fund, the School District shall instruct the Fiscal Agent by a written communication from an Authorized Officer (upon which the Fiscal Agent may conclusively rely) to transfer such amount from the Special Tax Fund (including the Surplus Account) to the Trustee to restore the Reserve Fund to the applicable District Bond Reserve Requirement if the Taxing Jurisdiction is a "Delinquent District" pursuant to the Indenture.

On or before the March 1 Interest Payment Date in each Bond Year, if the amount of other moneys which is on deposit in the Special Tax Fund is less than the amount of the interest on the applicable District Bonds which is due on such Interest Payment Date, the Fiscal Agent shall transfer moneys from the Surplus Account, to the extent of moneys on deposit in the Surplus Account and available for transfer, to and deposit such moneys in the Interest Account of the Bond Fund in an amount not to exceed the deficiency in the amount of other moneys which are on deposit in the Special Tax Fund, and available for transfer, to pay the full amount of the interest on the applicable District Bonds which is due and payable on such Interest Payment Date.

On or before the September 1 Interest Payment Date in each Bond Year, if the amount of moneys which is on deposit in the Special Tax Fund is less than the amount of the interest on and principal of the Bonds which is due on such Interest Payment Date, the Fiscal Agent shall transfer moneys from the Surplus Account, to the extent of moneys on deposit in the Surplus Account and available for transfer, to and deposit such moneys in the Interest Account and the Principal Account in amounts not to exceed the amount of the deficiency in the amount of other moneys which are on deposit in the Special Tax Fund, and available for transfer, to pay the full amount of the interest on and principal of the Bonds which is due and payable on such Interest Payment Date.

Notwithstanding the foregoing, any amounts received by the School District which constitute Special Tax Prepayments shall be transferred by the School District immediately upon receipt to the Fiscal Agent for deposit by the Fiscal Agent in the Special Tax Prepayments Account established pursuant to the applicable Fiscal Agent Agreement.

Reserve Fund Replenishment. In levying the Special Taxes to replenish the Reserve Fund, if the School District receives a written notification from the Authority Trustee pursuant to the Authority Indenture that amounts have been withdrawn from the Reserve Fund to pay debt service on the Bonds and if the School District determines that such amounts were withdrawn as a result of delinquencies in the payment of Special Taxes levied on parcels in the applicable Taxing Jurisdiction, the School District in such Taxing Jurisdiction shall, to the extent legally permissible, include in the levy of the Special Taxes for the following Fiscal Year in such Taxing Jurisdiction, the amount necessary to restore the Authority Bonds Reserve Fund Proportionate Share, as defined below, to the Reserve Fund. The Special Taxes so levied shall not, in any event, exceed the maximum amounts provided for in the applicable Rates and Method.

“Authority Bonds Reserve Fund Proportionate Share” means the District’s proportionate share of the Reserve Requirement, as of the Closing Date. The Authority Bonds Reserve Fund Proportionate Share shall be reduced upon redemption of the District Bonds and shall be used as a credit to debt service in the final year of payment on the District Bonds.

10% Limitation on Increases in the Special Tax Levy as a Result of Delinquencies. Section 53321 of the Act states that under no circumstances will the Special Tax levied in any fiscal year against any parcel used for private residential purposes (parcels are considered “used for private residential purposes” on the date that an occupancy permit for private residential use is issued) be increased as a consequence of delinquency or default by more than 10% above the amount that would have been levied in that fiscal year had there never been any such delinquencies or defaults. Therefore, even though the maximum Special Tax rates may allow for Special Tax increases greater than 10%, in the event of high delinquencies in a Taxing Jurisdiction, the School District could not increase the Special Taxes in the Taxing Jurisdiction in the fiscal year following such delinquencies by more than 10% on the residential units. See “SPECIAL RISK FACTORS — Special Tax Delinquencies.”

No Teeter Plan. Although the Riverside County Board of Supervisors has adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the “Teeter Plan”) which allows each entity levying secured property taxes in the County to draw on the amount of property taxes levied rather than the amount actually collected, as provided for in Section 4701 *et seq.* of the California Revenue and Taxation Code, none of the Taxing Jurisdictions are included in the County Teeter Plan. Consequently, the Taxing Jurisdictions may not draw on the County Tax Loss Reserve Fund in the event of delinquencies in Special Tax payments within the Taxing Jurisdictions.

District Bond Parity Bonds

Each Fiscal Agent Agreement authorizes the applicable District to issue additional bonds secured by Special Tax Revenues on a parity with the related District Bonds but only for the purpose of refunding all or a

portion of the District Bonds or District Bond Parity Bonds of such District. District Bonds shall only be refunded if a corresponding amount of Bonds are refunded.

Priority of Lien

Each installment of the Special Taxes and any related interest and penalties, constitutes a lien on the parcel of land on which it was imposed until the same is paid. Such lien is co-equal to and independent of the lien for general taxes, any other community facilities district special taxes or special assessments. See “THE TAXING JURISDICTIONS” and “APPENDIX A — “INFORMATION REGARDING THE TAXING JURISDICTIONS.”

Covenants of the School District

In each Fiscal Agent Agreement, the School District, on behalf of each Taxing Jurisdiction, covenants as follows, among other things:

Punctual Payment. The School District will punctually pay or cause to be paid the principal of and interest and any premium on the District Bonds when and as due in strict conformity with the terms of the Fiscal Agent Agreement and any Supplemental Agreement to the extent that the Special Tax Revenues are available, and it will faithfully observe and perform all of the conditions, covenants and requirements of the Fiscal Agent Agreement and all Supplemental Agreements and of the District Bonds.

Against Encumbrance. The School District will not mortgage or otherwise encumber, pledge or place any charge upon any of the Special Tax Revenues except as provided in the related Fiscal Agent Agreement, and will not issue any obligation or security having a lien or charge upon the Special Tax Revenues superior to or on a parity with the related District Bonds (other than related District Bond Parity Bonds). Nothing in the Fiscal Agent Agreement prevents the District from issuing or incurring indebtedness which is payable from a pledge of Special Tax Revenues which is subordinate in all respects to the pledge of Special Tax Revenues to repay the related District Bonds and the related District Bond Parity Bonds.

Levy of Special Tax. So long as any District Bonds or District Bond Parity Bonds are Outstanding, the legislative body of the District will levy the related Special Tax in an amount sufficient, together with other amounts on deposit in the Special Tax Fund and available for such purpose, to pay the principal of and interest on such District Bonds and any such District Bond Parity Bonds when due, and the applicable Administrative Expense Requirement (the “Special Tax Requirement”). The School District further covenants that each District will take no actions that would discontinue or cause the discontinuance of the Special Tax levy or the District’s authority to levy the Special Tax for so long as the related District Bonds and any related District Bond Parity Bonds are outstanding.

Commence Foreclosure Proceedings. The School District covenants with and for the benefit of the Owners of the District Bonds as follows: (i) it will order, and cause to be commenced, judicial foreclosure proceedings against properties in the District with delinquent Special Taxes in excess of \$5,000 by the October 1 following the close of the Fiscal Year in which such Special Taxes were due, and (ii) it will commence judicial foreclosure proceedings against all properties in the District with delinquent Special Taxes by the October 1 following the close of each Fiscal Year in which it receives Special Taxes in an amount which is less than 95% of the total Special Taxes levied, and diligently pursue to completion such foreclosure proceedings.

Reduction of Maximum Special Taxes. The School District covenants that, to the extent that it is legally permitted to avoid doing so, it will not initiate and conduct proceedings to reduce the maximum rates of Special Taxes which are authorized to be levied on taxable parcels of property within the Taxing Jurisdictions (the “Maximum Rates”). The School District further covenants that in the event an ordinance is adopted by initiative pursuant to Section 3 of Article XIII C of the California Constitution, which purports to reduce or

otherwise alter the Maximum Rates, it will commence and pursue legal action seeking to preserve its ability to comply with such covenant.

Redemption of District Bonds. Upon any redemption of District Bonds, the Special Tax Consultant or an Independent Financial Consultant shall provide a report demonstrating the Revenues remaining to be paid from the other Taxing Jurisdictions together with any amounts remaining to be paid under the Fiscal Agent Agreement are sufficient to pay debt service on the Bonds.

Rights of Authority Trustee. The School District has granted to the Trustee the right to pursue any remedy at law or in equity to enforce any and all of the covenants, obligations and agreements of the School District contained in the Fiscal Agent Agreements.

BOND INSURANCE

The information under this caption has been prepared by the Insurer for inclusion in this Official Statement. Neither the Authority nor the Underwriter has reviewed this information, nor do the Authority or the Underwriter make any representation with respect to the accuracy or completeness thereof. The following information is not complete and reference is made to APPENDIX H for a specimen of the Policy.

[TO COME]

THE TAXING JURISDICTIONS

The Taxing Jurisdictions in the Aggregate

Introduction. Set forth under this caption is certain information describing the Taxing Jurisdictions in the aggregate and separate sections on each of them. Although the Authority believes the information with respect to the Taxing Jurisdictions in the aggregate is relevant to an informed decision to purchase the Bonds, investors should be aware that the debt service on one District Bond may not be used to make up any shortfall in the debt service on another District Bond. Moreover, the parcels in each of the Taxing Jurisdictions are taxed according to that Taxing Jurisdiction's specific Rates and Method, and the Special Taxes may only be applied to pay the debt service on the District Bonds of the Taxing Jurisdiction in which they are levied and not on the debt service of any other District Bonds.

Potential investors should further be aware that Special Taxes are levied against individual parcels within each Taxing Jurisdiction and that any such parcel may have a value-to-lien ratio less than the overall value-to-lien ratio for such Taxing Jurisdiction and less than the value-to-lien ratio of the Taxing Jurisdictions in the aggregate.

Development Status. The Taxing Jurisdictions are fully built out. As of November 1, 2014, 1,642 dwelling units within the Taxing Jurisdictions were completed and sold to individual homeowners. The table below summarizes the total dwelling units completed and sold to individual homeowners as of November 1, 2014.

**TABLE 3
RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY
THE TAXING JURISDICTIONS IN AGGREGATE
DEVELOPMENT STATUS AS OF NOVEMBER 1, 2014**

<i>District</i>	<i>Approximate Gross Acres</i>	<i>Lots with Building Permits Issued as of Fiscal Year 2014-15 Levy</i>	<i>Completed Single Family Detached Units Owned by Individual Owners as of 11/1/2014</i>	<i>Percent of Units Owned by Individual Owners as of 11/1/2014</i>	<i>% of Buildout</i>
CFD No. 10	21	94	94	100.00%	100.00%
CFD No. 13, IA No. 1	87	208	208	100.00	100.00
CFD No. 14	31	307	307	100.00	100.00
CFD No. 15, IA No. 2	117	403	403	100.00	100.00
CFD No. 17	16	110	110	100.00	100.00
CFD No. 18	141	72	72	100.00	100.00
CFD No. 21, IA No. 2	62	65	65	100.00	100.00
CFD No. 22	30	160	160	100.00	100.00
CFD No. 24	<u>65</u>	<u>229</u>	<u>215⁽¹⁾</u>	<u>93.89</u>	<u>100.00</u>
Total	<u>570</u>	<u>1,648</u>	<u>1,634</u>	<u>99.15</u>	<u>100.00</u>

⁽¹⁾ Of the 229 single family detached units, there are 8 parcels owned by California Baptist University and 6 parcels owned by Regents of the University of California.

Source: David Taussig & Associates, Inc.

Value-To-Lien Ratios. The assessed values of all of the taxable property in the Taxing Jurisdictions, as established by the County Assessor for Fiscal Year 2014-15, was \$570,437,436. The following Table No. 4 shows the aggregate assessed value-to-lien ratios of all the taxable property in the Taxing Jurisdictions based on the County Assessor’s assessed values for Fiscal Year 2014-15, based on the aggregate principal amount of the District Bonds. See “—Estimated Direct and Overlapping Indebtedness” in APPENDIX A for each District.

TABLE 4
RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY
THE TAXING JURISDICTIONS IN AGGREGATE
ASSESSED VALUE-TO-LIEN RATIOS

<i>District</i>	<i>District Bonds*</i>	<i>Percent of Total District Bonds*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽¹⁾</i>	<i>Percent of Total FY 2014-15 Assessed Value</i>	<i>Assessed Value-to-Lien Ratio^{*(2)}</i>
CFD No. 10	\$ 1,165,000	2.67%	\$ 24,721,747	4.33%	17.47
CFD No. 13, IA No. 1	5,870,000	13.46	105,398,010	18.48	15.24
CFD No. 14	4,805,000	11.02	69,717,087	12.22	12.62
CFD No. 15, IA No. 2	14,965,000	34.33	148,448,235	26.02	8.93
CFD No. 17	2,375,000	5.45	23,940,620	4.20	9.13
CFD No. 18	2,200,000	5.05	52,072,832	9.13	19.02
CFD No. 21, IA No. 2	2,880,000	6.61	38,730,078	6.79	11.72
CFD No. 22	4,295,000	9.85	48,978,619	8.59	10.21
CFD No. 24	<u>5,040,000</u>	<u>11.56</u>	<u>58,430,208</u>	<u>10.24</u>	<u>10.39</u>
Total	<u>\$ 43,595,000</u>	<u>100.00%</u>	<u>\$ 570,437,436</u>	<u>100.00</u>	<u>11.51</u>

* Preliminary, subject to change.

(1) Based on values as of January 1, 2014 as provided by the County of Riverside. Assessed Value is the sum of Land Value and Improvement Value.

(2) Includes District Outstanding Bond and Overlapping Outstanding Bond amounts.

Source: David Taussig & Associates, Inc.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in the Taxing Jurisdictions for Fiscal Year 2014-15. For the Special Tax levies, collections and delinquency rates for the last six fiscal years in each of the Taxing Jurisdictions, see APPENDIX A — “INFORMATION REGARDING THE TAXING JURISDICTIONS.”

TABLE 5
RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY
THE TAXING JURISDICTIONS IN AGGREGATE
SPECIAL TAX LEVIES, DELINQUENCIES AND DELINQUENCY RATES
FISCAL YEAR 2013-14
AS OF NOVEMBER 3, 2014

<i>District</i>	<i>Fiscal Year 2013-14 Special Tax Levy</i>	<i>Percent of Fiscal Year 2013-14 Special Tax Levy</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
CFD No. 10	\$ 79,223	2.17%	\$ 0	0.00%
CFD No. 13, IA No. 1	548,561	15.03	1,360	0.25
CFD No. 14	432,862	11.86	1,305	0.30
CFD No. 15, IA No. 2	1,302,385	35.68	9,853	0.76
CFD No. 17	166,321	4.56	0	0.00
CFD No. 18	201,084	5.51	0	0.00
CFD No. 21, IA No. 2	197,387	5.41	0	0.00
CFD No. 22	387,202	10.61	0	0.00
CFD No. 24	<u>335,273</u>	<u>9.18</u>	<u>1,395</u>	<u>0.42</u>
Total	\$ 3,650,298	100.00%	\$ 13,913	0.38%

Source: David Taussig & Associates, Inc.

For additional information concerning each of the Taxing Jurisdictions, see APPENDIX A — “INFORMATION REGARDING THE TAXING JURISDICTIONS.”

SPECIAL RISK FACTORS

The purchase of the Bonds involves certain investment risks which are discussed throughout this Official Statement. Each prospective investor should make an independent evaluation of all information presented in this Official Statement in order to make an informed investment decision. Particular attention should be given to the factors described below which, among others, could affect the payment of debt service on Bonds.

Risks of Real Estate - Secured Investments Generally

Because the timely payment of debt service on the Bonds will be dependent upon the timely payment of the District Bonds and the timely payment of the District Bonds will be dependent upon the timely payment of Special Taxes, which are secured ultimately by the Taxable Property within the Taxing Jurisdictions, the Bond Owners will be subject to the risks generally incident to an investment secured by real estate, including, without limitation, (i) adverse changes in local market conditions, such as changes in the market value of real property in and around the vicinity of the Taxing Jurisdictions, the supply of or demand for competitive properties in such area, and the market value of residential property or buildings and/or sites in the event of sale or foreclosure; (ii) changes in real estate tax rates and other operating expenses, governmental rules (including, without limitation, zoning laws and laws relating to endangered species and hazardous materials) and fiscal policies; and (iii) natural disasters (including, without limitation, earthquakes and floods), which may result in uninsured losses.

The Bonds are Limited Obligations of the Authority

The Bonds are limited obligations of the Authority payable only from amounts pledged under the Indenture, which consist primarily of payments made to the Trustee on the District Bonds and amounts in the Reserve Fund. Funds for the payment of the principal of and the interest on the District Bonds are derived only from payments of Special Taxes. The amount of Special Taxes that are collected could be insufficient to pay principal of and interest on the District Bonds due to non-payment of the Special Taxes levied or due to insufficient proceeds received from a judicial foreclosure sale of land within the Taxing Jurisdictions following delinquency. A District's legal obligation with respect to any delinquent Special Taxes are limited to the institution of judicial foreclosure proceedings under certain circumstances with respect to any parcels for which Special Taxes is delinquent. The Bonds cannot be accelerated in the event of any default.

Failure by owners of the parcels within the Taxing Jurisdictions to pay Special Tax installments when due, delay in foreclosure proceedings, or the inability of the Taxing Jurisdictions to sell parcels which have been subject to foreclosure proceedings for amounts sufficient to cover the delinquent installments of Special Taxes levied against such parcels may result in the inability of the Taxing Jurisdictions to make full or timely payments of debt service on the District Bonds, which may, in turn, result in the depletion of the Reserve Fund and the inability of the Authority to make full or timely payment on the Bonds.

Limited Obligations

The Bonds are not obligations of the School District. The District Bonds are limited obligations of the School District. The District Bonds are not payable from the general funds of the School District. Except with respect to the Special Taxes, neither the credit nor the taxing power of the Taxing Jurisdictions or the School District is pledged for the payment of the District Bonds, and except to compel a levy of the Special Taxes securing the District Bonds, no Owner of the Bonds may compel the exercise of any taxing power by the Taxing Jurisdictions or the School District. The Owners of the Bonds may not force the forfeiture of any property of the School District or the Taxing Jurisdictions.

No Cross-Collateralization Between Taxing Jurisdictions

The District Bonds are not cross-collateralized. In other words, the Special Taxes from one Taxing Jurisdiction cannot be used to cover any shortfall in the payment of debt service on the District Bonds of another Taxing Jurisdiction.

Potential Early Redemption of Bonds from Prepayments

Property owners within the Taxing Jurisdictions are permitted to prepay their Special Taxes at any time. Such prepayments will result in a redemption of District Bonds on the first March 1 or September 1 which is more than 30 days following the receipt of the prepayment. The proceeds of the District Bonds so redeemed will then be used to make a mandatory redemption of the Bonds. Each Fiscal Agent Agreement provides that the School District will not accept any Special Tax prepayment unless a special tax consultant certifies that Special Taxes that may be levied on the taxable property within the applicable Taxing Jurisdiction both prior to and after the proposed prepayment is and will be at least 1.1 times the amount of maximum annual debt service on the applicable outstanding District Bonds plus the applicable Priority Administrative Expense Amount. See "THE BONDS — Redemption — Special Redemption."

Property Values

The value of property within the Taxing Jurisdictions is an important factor in evaluating the investment quality of the Bonds. In the event that a property owner defaults in the payment of Special Tax installment, a District's only remedy is to judicially foreclose the delinquent parcel. Prospective purchasers of the Bonds should not assume that delinquent parcels property within the Taxing Jurisdictions could be sold for

the assessed values described in this Official Statement at a foreclosure sale for delinquent Special Tax installments or for an amount adequate to pay delinquent Special Tax installments.

The assessed values set forth in this Official Statement do not represent market values arrived at through an appraisal process and generally reflect only the sales price of a parcel when acquired by its current owner, adjusted annually by an amount determined by the Riverside County Assessor, generally not to exceed an increase of more than 2% per fiscal year (except in the case of new construction subsequent to such acquisition). The assessed values utilized in this Official Statement reflect the “equalized roll” prepared by the County for Fiscal Year 2014-15, which reflects property values as of January 1, 2014. The equalized roll incorporates County assessed properties and therefore excludes property assessed by the State Board of Equalization, on utilities.

The actual market value of the property is subject to future events such as downturn in the economy, occurrences of certain acts of nature and the decisions of various governmental agencies as to land use, all of which could adversely impact the value of the land in the Taxing Jurisdictions which is the security for the District Bonds, which secure the Bonds. As discussed in this Official Statement, many factors could adversely affect property values or prevent or delay further land development within the Taxing Jurisdictions.

Natural Disasters

The land within the Taxing Jurisdictions, like all California communities, may be subject to unpredictable seismic activity, fires, flood, or other natural disasters. Southern California is a seismically active area. Seismic activity represents a potential risk for damage to buildings, roads, bridges and property within the Taxing Jurisdictions. In addition, land susceptible to seismic activity may be subject to liquefaction during the occurrence of such event.

In the event of a severe earthquake, fire, flood or other natural disaster, there may be significant damage to both property and infrastructure in the Taxing Jurisdictions. As a result, a substantial portion of the property owners may be unable or unwilling to pay the Special Taxes when due. In addition, the value of land in the Taxing Jurisdictions could be diminished in the aftermath of such a natural disaster, reducing the resulting proceeds of foreclosure sales in the event of delinquencies in the payment of Special Taxes.

Hazardous Substances

The value of a parcel may be reduced as a result of the presence of a hazardous substance. In general, the owners and operators of a parcel may be required by law to remedy conditions of the parcel relating to releases or threatened releases of hazardous substances. The Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as “CERCLA” or the “Superfund Act,” is the most well-known and widely applicable of these laws, but California laws with regard to hazardous substances are also stringent and similar. Under many of these laws, the owner or operator is obligated to remedy a hazardous substance condition of property whether or not the owner or operator has anything to do with creating or handling the hazardous substance. The effect, therefore, should any of the taxed parcels be affected by a hazardous substance, is to reduce the marketability and value of the parcel by the costs of remedying the condition, because the purchaser, upon becoming owner, will become obligated to remedy the condition just as is the seller.

Further, it is possible that liabilities may arise in the future with respect to any of the parcels resulting from the existence, currently, on the parcel of a substance presently classified as hazardous but which has not been released or the release of which is not presently threatened, or may arise in the future resulting from the existence, currently on the parcel of a substance not presently classified as hazardous but which may in the future be so classified. Further, such liabilities may arise not simply from the existence of a hazardous substance but from the method of handling it. All of these possibilities could significantly affect the value of a parcel that is realizable upon a delinquency.

None of the Authority, the Taxing Jurisdictions or the School District has knowledge of any hazardous substances being located on the property within the Taxing Jurisdictions.

Parity Taxes and Special Assessments

Property within the Taxing Jurisdictions is subject to taxes and other charges levied by several other public agencies. See the discussion of direct and overlapping indebtedness in APPENDIX A — “INFORMATION REGARDING THE TAXING JURISDICTIONS.” Neither the Authority, the Taxing Jurisdictions nor the School District has control over the ability of other entities and districts to issue indebtedness secured by special taxes or assessments payable from all or a portion of the property within the Taxing Jurisdictions.

The Special Taxes and any related penalties will constitute a lien against the lots and parcels of land on which they will be annually imposed until they are paid. Such lien is on a parity with the lien of all special taxes and special assessments levied by other agencies and is co-equal to and independent of the lien for general *ad valorem* property taxes regardless of when they are imposed upon the same property. The Special Taxes have priority over all existing and future private liens imposed on the property. See “— Bankruptcy and Foreclosure” below.

Payment of the Special Tax is not a Personal Obligation of the Owners

An owner of a taxable parcel is not personally obligated to pay the Special Tax. Rather, the Special Tax is an obligation which is secured only by a lien against the taxable parcel. If the proceeds received from the sale of a taxable parcel following a Special Tax delinquency are not sufficient, taking into account other liens imposed by public agencies, to pay the full amount of the Special Tax delinquency, the District has no recourse against the owner of the parcel.

Disclosures to Future Purchasers

The willingness or ability of an owner of a parcel to pay the Special Tax may be affected by whether or not the owner was given due notice of the Special Tax authorization at the time the owner purchased the parcel, was informed of the amount of the Special Tax on the parcel should the Special Tax be levied at the maximum tax rate and the risk of such a levy and, at the time of such a levy, has the ability to pay it as well as pay other expenses and obligations. The School District has caused a notice of the Special Tax that may be levied against the taxable parcels in each Tax Jurisdiction to be recorded in the Office of the Recorder for the County. While title companies normally refer to such notices in title reports, there can be no guarantee that such reference will be made or, if made, that a prospective purchaser or lender will consider such Special Tax obligation in the purchase of a property within the Taxing Jurisdictions or lending of money thereon.

The Mello-Roos Act requires the subdivider (or its agent or representative) of a subdivision to notify a prospective purchaser or long-term lessor of any lot, parcel, or unit subject to a Mello-Roos special tax of the existence and maximum amount of such special tax using a statutorily prescribed form. California Civil Code Section 1102.6b requires that in the case of transfers other than those covered by the above requirement, the seller must at least make a good faith effort to notify the prospective purchaser of the special tax lien in a format prescribed by statute. Failure by an owner of the property to comply with the above requirements, or failure by a purchaser or lessor to consider or understand the nature and existence of the Special Tax, could adversely affect the willingness and ability of the purchaser or lessor to pay the Special Tax when due.

Special Tax Delinquencies

Under provisions of the Mello-Roos Act, the Special Taxes, from which funds necessary for the payment of principal of and interest on the District Bonds and, thus, the Bonds are derived, are customarily billed to the properties within each District on the *ad valorem* property tax bills sent by the County to owners

of such properties. The Mello-Roos Act currently provides that such Special Tax installments are due and payable, and bear the same penalties and interest for non-payment, as do *ad valorem* property tax installments.

See the delinquency tables in Appendix A — “INFORMATION REGARDING THE TAXING JURISDICTIONS” for the delinquency history of each Taxing Jurisdiction over the last five Fiscal Years.

See “SECURITY FOR THE DISTRICT BONDS — Covenants of the School District — *Commence Foreclosure Proceedings*,” for a discussion of the provisions which apply, and procedures which the School District is obligated to follow under the Fiscal Agent Agreements, in the event of delinquencies in the payment of Special Taxes. See “— Bankruptcy and Foreclosure” below for a discussion of the policy of the Federal Deposit Insurance Corporation (the “FDIC”) regarding the payment of special taxes and assessment and limitations on the District’s ability to foreclose on the lien of the Special Taxes in certain circumstances.

The School District has the authority and the obligation, subject to the Act and the maximum Special Tax rates set forth in each Rates and Method, to increase the levy of Special Taxes against non-delinquent property owners in the applicable Taxing Jurisdiction in the event other owners such Taxing Jurisdiction are delinquent. Pursuant to each Rates and Method, under no circumstances may the Special Tax levied against any parcel used for private residential purposes be increased as a consequence of delinquency or default by owner of any other parcel or parcels within the Taxing Jurisdiction by more than 10% in any fiscal year. Thus, the School District may not be able to increase Special Tax levies in future fiscal years by enough to make up for delinquencies for prior fiscal years. This would result in draws on the Reserve Fund, and if delinquencies continue and in the aggregate exceed the Reserve Fund balance, defaults would occur in the payment of principal and interest on the Bonds.

Insufficiency of Special Taxes

Notwithstanding that the maximum Special Taxes that may be levied in the Taxing Jurisdictions exceeds debt service due on the District Bonds, the Special Taxes collected could be inadequate to make timely payment of debt service either because of nonpayment or because property becomes exempt from taxation.

The Rates and Method of Apportionment of Special Tax governing the levy of the Special Taxes within each Taxing Jurisdiction expressly exempts up to a specified number of acres of property owned by public entities, homeowner associations, churches and other specified owners. If for any reason property within a Taxing Jurisdiction becomes exempt from taxation by reason of ownership by a non-taxable entity such as the federal government, another public agency or other organization determined to be exempt, subject to the limitations of the maximum authorized rates, the Special Tax will be reallocated to the remaining taxable properties within such Taxing Jurisdiction. This could result in certain owners of property paying a greater amount of the Special Tax and could have an adverse impact upon the ability and willingness of the owners of such property to pay the Special Tax when due.

The Mello-Roos Act provides that, if any property within a Taxing Jurisdiction not otherwise exempt from the Special Tax is acquired by a public entity through a negotiated transaction, or by gift or devise, the Special Tax will continue to be levied on and enforceable against the public entity that acquired the property. In addition, the Mello-Roos Act provides that, if property subject to the Special Tax is acquired by a public entity through eminent domain proceedings, the obligation to pay the Special Tax with respect to that property is to be treated as if it were a special assessment and be paid from the eminent domain award. The constitutionality and operation of these provisions of the Mello-Roos Act have not been tested in the courts. Due to problems of collecting taxes from public agencies, if a substantial portion of land within a Taxing Jurisdiction became exempt from the Special Tax because of public ownership, or otherwise, the maximum Special Taxes which could be levied upon the remaining taxable property therein might not be sufficient to pay principal of and interest on the related District Bonds when due and a default could occur with respect to the

payment of such principal and interest, and, in turn, a default could occur in the payment of the principal and interest on the Bonds.

Pursuant to each Rates and Method, under no circumstances may the Special Tax levied against any parcel used for private residential purposes be increased as a consequence of delinquency or default by owner of any other parcel or parcels within a Taxing Jurisdiction by more than 10% in any fiscal year. Thus, the School District may not be able to increase Special Tax levies in future fiscal years by enough to make up for delinquencies for prior fiscal years. This would result in draws on the Reserve Fund, and if delinquencies continue and in the aggregate exceed the Reserve Fund balance, defaults would occur in the payment of principal and interest on the Bonds. See “SECURITY FOR THE DISTRICT BONDS — Special Tax Revenues — 10% Limitation on Increases in the Special Tax Levy as a Result of Delinquencies.”

FDIC/Federal Government Interests in Properties

The ability of the School District to collect interest and penalties specified by the Act and to foreclose the lien of delinquent Special Taxes may be limited in certain respects with regard to parcels in which the FDIC, or other federal government entities such as Fannie Mae, Freddie Mac, the Drug Enforcement Agency, the Internal Revenue Service or other federal agency, has or obtains an interest.

In the case of FDIC, in the event that any financial institution making a loan which is secured by parcels is taken over by the FDIC and the applicable Special Tax is not paid, the remedies available to the Taxing Jurisdictions may be constrained. The FDIC’s policy statement regarding the payment of state and local real property taxes (the “Policy Statement”) provides that taxes other than *ad valorem* taxes which are secured by a valid lien in effect before the FDIC acquired an interest in a property will be paid unless the FDIC determines that abandonment of its interests is appropriate. The Policy Statement provides that the FDIC generally will not pay installments of non-*ad valorem* taxes which are levied after the time the FDIC acquires its fee interest, nor will the FDIC recognize the validity of any lien to secure payment except in certain cases where the Resolution Trust Corporation had an interest in property on or prior to December 31, 1995. Moreover, the Policy Statement provides that, with respect to parcels on which the FDIC holds a mortgage lien, the FDIC will not permit its lien to be foreclosed out by a taxing authority without its specific consent, nor will the FDIC pay or recognize liens for any penalties, fines or similar claims imposed for the non-payment of taxes.

The FDIC has taken a position similar to that expressed in the Policy Statement in legal proceedings brought against Orange County in United States Bankruptcy Court and in Federal District Court. The Bankruptcy Court issued a ruling in favor of the FDIC on certain of such claims. Orange County appealed that ruling, and the FDIC cross-appealed. On August 28, 2001, the Ninth Circuit Court of Appeals issued a ruling favorable to the FDIC except with respect to the payment of pre-receivership liens based upon delinquent property tax.

The School District is unable to predict what effect the application of the Policy Statement would have in the event of a delinquency with respect to parcels in which the FDIC has or obtains an interest, although prohibiting the lien of the FDIC to be foreclosed out at a judicial foreclosure sale would prevent or delay the foreclosure sale.

In the event a parcel of taxable property is owned by a federal government entity or federal government sponsored entity, such as Fannie Mae or Freddie Mac, or a private deed of trust secured by a parcel of taxable property is owned by a federal government entity or federal government sponsored entity, such as Fannie Mae or Freddie Mac, the ability to foreclose on the parcel or to collect delinquent Special Taxes may be limited. The supremacy clause of the United States Constitution reads as follows: “This Constitution, and the Laws of the United States which shall be made in Pursuance thereof; and all Treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, anything in the Constitution or Laws of any State to the contrary

notwithstanding.” In the absence of Congressional intent to the contrary, a state or local agency cannot foreclose to collect delinquent taxes or assessments if foreclosure would impair the federal government interest. This means that, unless Congress has otherwise provided, if a federal government entity owns a parcel of taxable property but does not pay taxes and assessments levied on the parcel (including Special Taxes), the applicable state and local governments cannot foreclose on the parcel to collect the delinquent taxes and assessments.

Moreover, unless Congress has otherwise provided, if the federal government has a mortgage interest in the parcel and the School District wishes to foreclose on the parcel as a result of delinquent Special Taxes, the property cannot be sold at a foreclosure sale unless it can be sold for an amount sufficient to pay delinquent taxes and assessments on a parity with the Special Taxes and preserve the federal government’s mortgage interest. For a discussion of risks associated with taxable parcels within the Taxing Jurisdictions becoming owned by the federal government, federal government entities or federal government sponsored entities, see “— Insufficiency of Special Taxes.”

The School District’s remedies may also be limited in the case of delinquent Special Taxes with respect to parcels in which other federal agencies (such as the Internal Revenue Service and the Drug Enforcement Administration) have or obtain an interest.

Bankruptcy and Foreclosure

In the event of a delinquency in the payment of the Special Taxes, the School District, under certain circumstances, is required to commence enforcement proceedings as described under the heading “SECURITY FOR THE DISTRICT BONDS — Covenants of the School District.” However, prosecution of such proceedings could be delayed due to crowded local court calendars, dilatory legal tactics, or bankruptcy. It is also possible that the School District will be unable to realize proceeds in an amount sufficient to pay the applicable delinquency. Moreover, the ability of the Taxing Jurisdictions to commence and prosecute enforcement proceedings may be limited by bankruptcy, insolvency and other laws generally affecting creditors’ rights (such as the Soldiers’ and Sailors’ Relief Act of 1940) and by the laws of the State relating to judicial and non-judicial foreclosure. Although bankruptcy proceedings would not cause the liens of the Special Taxes to become extinguished, bankruptcy of a property owner could result in a delay in the enforcement proceedings because federal bankruptcy laws provide for an automatic stay of foreclosure and tax sale proceedings. Any such delay could increase the likelihood of delay or default in payment of the principal of and interest on the District Bonds. The various legal opinions delivered in connection with the issuance of the Bonds, including Bond Counsel’s approving legal opinion, are qualified as to the enforceability of the Bonds, the Indenture, the District Bonds and the District Fiscal Agent Agreements by reference to bankruptcy, reorganization, moratorium, insolvency and other laws affecting the rights of creditors generally or against public corporations such as the Taxing Jurisdictions.

No Acceleration Provision

The Bonds do not contain a provision allowing for the acceleration of the Bonds in the event of a payment default or other default under the terms of the Bonds or the Indenture. Pursuant to the Indenture, an Owner of the Bonds is given the right for the equal benefit and protection of all owners similarly situated to pursue certain remedies described in Appendix B — “SUMMARY OF PRINCIPAL LEGAL DOCUMENTS — SUMMARY OF AUTHORITY INDENTURE — EVENTS OF DEFAULT AND REMEDIES.”

Limitations on Remedies

Remedies available to the Owners of the Bonds may be limited by a variety of factors and may be inadequate to assure the timely payment of principal of and interest on the Bonds or to preserve the exclusion from gross income for federal income tax purposes of interest on the Bonds.

Bond Counsel has limited its opinion as to the enforceability of the Bonds and of the Indenture to the extent that enforceability may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium, or other similar laws affecting generally the enforcement of creditors' rights, by equitable principles, by the exercise of judicial discretion and by limitations on remedies against public agencies in the State. The lack of availability of certain remedies or the limitation of remedies may entail risks of delay, limitation or modification of the rights of the owners of the Bonds.

Loss of Tax Exemption

As discussed under the caption "LEGAL MATTERS — Tax Matters," interest on the Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date the Bonds were issued, as a result of future acts or omissions of the Authority or the School District in violation of covenants in the Indenture or the Fiscal Agent Agreements, respectively. Should such an event of taxability occur, the Bonds are not subject to a special redemption and will remain outstanding until maturity or until redeemed under one of the other redemption provisions contained in the Indenture.

Future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, 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. Should such an event of taxability occur, the Bonds are not subject to a special redemption and will remain outstanding until maturity or until redeemed under one of the other redemption provisions contained in the Indenture.

A change in the tax status of the interest on the Bonds would likely affect the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

It is possible that subsequent to the issuance of the Bonds there might be federal, State, or local statutory changes (or judicial or regulatory interpretations of federal, State, or local law) that affect the federal, State, or local tax treatment of the Bonds or the market value of the Bonds. No assurance can be given that subsequent to the issuance of the Bonds such changes or interpretations will not occur. See "LEGAL MATTERS — Tax Matters" below.

Limited Secondary Market

There can be no guarantee that there will be a secondary market for the Bonds, or, if a secondary market exists, that the Bonds can be sold for any particular price. Although the Authority has committed to provide certain financial information and operating data on an annual basis, there can be no assurance that such information will be available to Beneficial Owners of the Bonds on a timely basis. The failure to provide the required annual information does not give rise to monetary damages but merely an action for specific performance. Occasionally, because of general market conditions, lack of current information, the absence of a credit rating, or adverse history or economic prospects connected with a particular issue, secondary marketing practices in connection with a particular issue are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then prevailing circumstances. Such prices could be substantially different from the original purchase price.

Proposition 218

An initiative measure commonly referred to as the "Right to Vote on Taxes Act" (the "Initiative") was approved by the voters of the State of California at the November 5, 1996 general election. The Initiative added Article XIIC and Article XIID to the California Constitution. According to the "Title and Summary" of the Initiative prepared by the California Attorney General, the Initiative limits "the authority of local

governments to impose taxes and property-related assessments, fees and charges.” The provisions of the Initiative continue to be interpreted by the courts. The Initiative could potentially impact the Special Taxes available to the School District to pay the principal of and interest on the District Bonds as described below.

Among other things, Section 3 of Article XIII states that “. . . the initiative power shall not be prohibited or otherwise limited in matters of reducing or repealing any local tax, assessment, fee or charge.” The Mello-Roos Act provides for a procedure which includes notice, hearing, protest and voting requirements to alter the rates and method of apportionment of an existing special tax. However, the Mello-Roos Act prohibits a legislative body from adopting any resolution to reduce the rate of any special tax or terminate the levy of any special tax pledged to repay any debt incurred pursuant to the Mello-Roos Act unless such legislative body determines that the reduction or termination of the special tax would not interfere with the timely retirement of that debt. On August 1, 1997, a bill was signed into law by the Governor of the State enacting Government Code Section 5854, which states that:

Section 3 of Article XIII C of the California Constitution, as adopted at the November 5, 1996, general election, shall not be construed to mean that any owner or beneficial owner of a municipal security, purchased before or after that date, assumes the risk of, or in any way consents to, any action by initiative measure that constitutes an impairment of contractual rights protected by Section 10 of Article I of the United States Constitution.

Accordingly, although the matter is not free from doubt, it is likely that the Initiative has not conferred on the voters the power to repeal or reduce the Special Taxes if such reduction would interfere with the timely retirement of the District Bonds.

It may be possible, however, for voters or the Board of Education of the School District, acting as the legislative body of each District, to reduce the Special Taxes in a manner which does not interfere with the timely repayment of the District Bonds, but which does reduce the maximum amount of Special Taxes that may be levied in any year below the existing levels. Therefore, no assurance can be given with respect to the levy of Special Taxes for Administrative Expenses. Furthermore, no assurance can be given with respect to the future levy of the Special Taxes in amounts greater than the amount necessary for the timely retirement of the District Bonds. Nevertheless, the School District covenants that, to the extent that it is legally permitted to avoid doing so, it will not initiate and conduct proceedings to reduce the maximum rates of Special Taxes which are authorized to be levied on taxable parcels of property within the Taxing Jurisdictions (the “Maximum Rates”). The School District further covenants that in the event an ordinance is adopted by initiative pursuant to Section 3 of Article XIII C of the California Constitution, which purports to reduce or otherwise alter the Maximum Rates, it will commence and pursue legal action seeking to preserve its ability to comply with such covenant.

With respect to the approval of the Special Taxes, on August 1, 2014, the California Court of Appeal, Fourth Appellate District, Division One, issued its opinion in *City of San Diego v. Melvin Shapiro, et al.* (D063997) (the “San Diego Decision”). The case involved a Convention Center Facilities District (the “CCFD”) established by the City of San Diego (the “City”). The CCFD is a financing district much like a community facilities district established under the provisions of the Act. The CCFD is comprised of all of the real property in the entire City. However, the special tax to be levied within the CCFD was to be levied only on hotel properties located within the CCFD.

The election authorizing the special tax was limited to owners of hotel properties and lessees of real property owned by a governmental entity on which a hotel is located. Thus, the election was not a registered voter election. Such approach to determining who would constitute the qualified electors of the CCFD was modeled after Section 53326(c) of the Act, which generally provides that, if a special tax will not be apportioned in any tax year on residential property, the legislative body may provide that the vote shall be by the landowners of the proposed district whose property would be subject to the special tax. The Court held that the CCFD special tax election was invalid under the California Constitution because Article XIII A, Section 4

thereof and Article XIII C, Section 2 thereof require that the electors in such an election be the registered voters within the district.

The facts of the San Diego Decision show that there were thousands of registered voters within the CCFD (*viz.*, all of the registered voters in the City). The elections held in each of the Taxing Jurisdictions had less than 12 registered voters within each Taxing Jurisdiction at the time of the elections to authorize the Special Tax. In the San Diego Decision, the Court expressly stated that it was not addressing the validity of landowner voting to impose special taxes pursuant to the Act in situations where there are fewer than 12 registered voters. Thus, by its terms, the Court’s holding does not apply to the Special Tax elections in the Taxing Jurisdictions. Moreover, Section 53341 of the Act provides that any “action or proceeding to attack, review, set aside, void or annul the levy of a special tax...shall be commenced within 30 days after the special tax is approved by the voters.” Similarly, Section 53359 of the Act provides that any action to determine the validity of bonds issued pursuant to the Act be brought within 30 days of the voters approving the issuance of such bonds. Voters within the Taxing Jurisdictions approved the Special Tax and the issuance of bonds years ago, and bonds issued on behalf of the Taxing Jurisdictions secured by the Special Taxes have been issued years ago. Based on Sections 53341 and 53359 of the Act and analysis of existing laws, regulations, rulings and court decisions, Bond Counsel is of the opinion that no successful challenge to the Special Tax being levied in accordance with the Rates and Methods may now be brought.

The interpretation and application of the Initiative will continue to be determined by the courts with respect to a number of the matters discussed above, and it is not possible at this time to predict with certainty the outcome of such determination or the timeliness of any remedy afforded by the courts. See “SPECIAL RISK FACTORS — Limitations on Remedies.”

Ballot Initiatives

Articles XIII C and XIII D, each of which placed certain limitations on the power of local agencies to tax, collect and expend revenues, were adopted pursuant to measures qualified for the ballot pursuant to California’s constitutional initiative process and the State Legislature has in the past enacted legislation which has altered the spending limitations or established minimum funding provisions for particular activities. From time to time, other initiative measures could be adopted by California voters or legislation enacted by the legislature. The adoption of any such initiative or legislation might place limitations on the ability of the State, the School District, or the Taxing Jurisdictions to increase revenues or to increase appropriations or on the ability of the landowners within the Taxing Jurisdictions to complete proposed future development.

LEGAL MATTERS

Tax Matters

[BOND COUNSEL TO UPDATE]

In the opinion of Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, compliance with certain covenants, interest on the 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 Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, provided however, that for the purpose of calculating federal corporate alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest is taken into account in determining certain income and earnings.

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 Bonds. The Authority has covenanted to comply with certain restrictions designed to insure that interest on the Bonds will not be

included in federal gross income. Failure to comply with these covenants may result in interest on the Bonds being included in federal gross income, possibly from the date of original issuance of the Bonds. The opinion of Bond Counsel assumes 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) after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Bond Owners from realizing the full current benefit of the tax status of such interest. As one example, the Obama Administration recently announced a legislative proposal which, for tax years beginning on or after January 1, 2013, generally would limit the exclusion from gross income of interest on obligations like the Bonds to some extent for taxpayers who are individuals and whose income is subject to higher marginal income tax rates. Other proposals have been made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Bonds. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, and regarding the impact of future legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Certain requirements and procedures contained or referred to in the Indenture, the Tax Certificate, and other relevant documents may be changed and certain actions (including, without limitation, defeasance of the Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel expresses no opinion as to the exclusion from gross income of interest on any Bond if any such change occurs or action is taken or omitted upon the advice or approval of counsel other than Best Best & Krieger LLP.

The Internal Revenue Service (the “IRS”) has initiated an expanded program for the auditing of tax-exempt bond issues, including both random and targeted audits. It is possible that the Bonds will be selected for audit by the IRS. It is also possible that the market value of the Bonds might be affected as a result of such an audit of the Bonds (or by an audit of other similar bonds).

Although Bond Counsel is of the opinion that interest on the 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 interest on, the Bonds may otherwise affect a Bond Owner’s federal or state tax liability. The nature and extent of these other tax consequences will depend upon the particular tax status of the Bondholder or the Bond Owner’s other items of income or deduction, and Bond Counsel expresses no opinion regarding any such other tax consequences.

See APPENDIX E — “FORM OF BOND COUNSEL OPINION” for a form of the opinion to be provided by Bond Counsel on the date of issuance of the Bonds.

Absence of Litigation

The Authority will certify at the time the Bonds are issued that no litigation is pending or threatened concerning the validity of the Bonds or the District Bonds and that no action, suit or proceeding is known by the Authority to be pending that would restrain or enjoin the delivery of the Bonds, or contest or affect the validity of the Bonds or the District Bonds or any proceedings of the Authority taken with respect to the Bonds or the District Bonds. The School District will also certify at the time the Bonds are issued that no litigation is pending or threatened concerning the validity the District Bonds and that no action, suit or proceeding is known by such District to be pending that would restrain or enjoin the delivery of the District Bonds, or contest or affect the validity of the District Bonds or any proceedings of such District taken with respect to the District Bonds.

Legal Opinion

Certain proceedings in connection with the issuance of the Bonds are subject to the approval as to their legality of Best Best & Krieger LLP, Riverside, California, Bond Counsel for the Authority in connection with the issuance of the Bonds. The unqualified opinion of Bond Counsel approving the validity of the Bonds will be attached to each Bond. Bond Counsel's employment is limited to a review of legal procedures required for the approval of the Bonds and to rendering an opinion as to the validity of the Bonds and the exemption of interest on the Bonds from income taxation. Bond Counsel has not been engaged by the Authority to prepare this Official Statement and expresses no opinion to the Owners of the Bonds as to the accuracy, completeness or fairness of this Official Statement or other offering materials relating to the Bonds and expressly disclaims any duty to do so.

MISCELLANEOUS

Ratings

Standard & Poor's Ratings Services, a division of The McGraw Hill Companies, Inc. ("Standard & Poor's") is expected to assign its municipal bond rating of "_____" to the Bonds based on the issuance of the Policy by the Insurer at the time of issuance of the Bonds. See "BOND INSURANCE" herein.

In addition, Standard & Poor's has assigned its underlying municipal bond rating of "_____" to the Bonds, independent of the delivery of the Policy. Such ratings reflect only the views of Standard & Poor's and an explanation of the significance of such ratings may be obtained from Standard & Poor's. There is no assurance that such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by such organization, if in its judgment circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Bonds.

Verification of Mathematical Accuracy

Causey, Demgen & Moore, P.C., upon delivery of the Bonds, will deliver a report on the mathematical accuracy of certain computations, contained in schedules provided to them which were prepared by Stifel, Nicolaus & Company, Incorporated, relating to the sufficiency of moneys and securities deposited into the Escrow Funds to pay, when due, the principal, whether at maturity or upon prior prepayment, interest and prepayment premium requirements of the Prior Bonds.

The report of Causey, Demgen & Moore, P.C. will include the statement that the scope of its engagement is limited to verifying the mathematical accuracy of the computations contained in such schedules provided to it, and that it has no obligation to update its report because of events occurring, or data or information coming to its attention, subsequent to the date of its report.

Underwriting

The Bonds are being purchased by Stifel, Nicolaus & Company, Incorporated (the "Underwriter") at a purchase price of \$_____ (representing the par amount of the Bonds, less underwriter's discount of \$_____ and plus/less [net] original issue premium/discount of \$_____).

The purchase contract relating to the Bonds between the Authority and the Underwriter provides that all Bonds will be purchased if any are purchased, and that the obligation to make such purchase is subject to certain terms and conditions set forth in said purchase contract, including, but not limited to, the approval of certain legal matters by counsel.

Financial Interests

The fees being paid to the Financial Advisor, the Underwriter, Underwriter's Counsel, the Special Tax Consultant, Disclosure Counsel and Bond Counsel are contingent upon the issuance and delivery of the Bonds. From time to time, Bond Counsel and Disclosure Counsel represent the Underwriter on matters unrelated to the Bonds.

Continuing Disclosure

Pursuant to a Continuing Disclosure Agreement between the Authority and U.S. Bank National Association (the "Continuing Disclosure Agreement"), the Authority has agreed to provide, or cause to be provided, to the Electronic Municipal Market Access System of the Municipal Securities Rulemaking Board, which can be found at www.emma.msrb.org certain annual financial information and operating data concerning the Taxing Jurisdictions. The Annual Report to be filed by the Authority will include audited financial statements of the Authority and the Taxing Jurisdictions, if any are prepared, and additional financial and operating data concerning the Taxing Jurisdictions as set forth in Section 4 of the Continuing Disclosure Agreement attached as Appendix F.

The Continuing Disclosure Agreement will inure solely to the benefit of any Dissemination Agent, the Underwriter and owners or beneficial owners from time to time of the Bonds. A default under the Continuing Disclosure Agreement is not a default under the Indenture and the sole remedy following a default is an action to compel specific performance by the Authority with the terms of the Continuing Disclosure Agreement.

The Continuing Disclosure Agreement provides that any required filing may be made through a central depository approved by the Securities and Exchange Commission.

Within the previous five years, the Authority has not failed to comply in all material respects with any previous undertakings with regard to Rule 15c2-12 to provide annual reports, semi-annual reports or notices of material events.

Within the previous five years, the School District, acting on behalf of its community facilities districts, has failed in certain respects to comply with its previous undertakings with regard to Rule 15c2-12. Specifically, the School District was untimely in filing twelve annual reports for fiscal year 2008-09, two annual reports for fiscal year 2009-10, one annual report for fiscal year 2010-11 and one annual report for fiscal year 2011-12. The School District, acting on behalf of its community facilities districts, has, to its knowledge, otherwise complied with its previous undertakings with regard to Rule 15c2-12 within the previous five years.

Additional Information

References are made in this Official Statement to certain documents and reports which are brief summaries thereof which do not purport to be complete or definitive, and reference is made to such documents and reports for full and complete statements of the contents thereof.

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

The execution and delivery of this Official Statement has been duly authorized by the Authority.

RIVERSIDE UNIFIED SCHOOL DISTRICT
FINANCING AUTHORITY

By: _____
Treasurer

APPENDIX A
INFORMATION REGARDING THE TAXING JURISDICTIONS

APPENDIX A
INFORMATION REGARDING THE TAXING JURISDICTIONS

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**INSERT AREA MAP FOR
CFD NO. 10
(MAP 1)**

**INSERT AREA MAP FOR
CFD NO. 10
(MAP 2)**

CFD NO. 10

Location and Description. CFD No. 10 was formed by the School District in September 2002 to finance various public improvements needed to develop property located within CFD No. 10. CFD No. 10 (totaling approximately 27 acres) consists of two non-continuous parcels: 1) Tract No. 30028 consisting of approximately 17.87 acres is located in the northwest portion of the City of Riverside and 2) Tract No. 29170 consisting of approximately 9.15 acres is located in the unincorporated community known as Highgrove. CFD No. 10 includes 94 taxable parcels. CFD No. 10 is completely built out with 94 completed single family detached homes which have been conveyed to individual homeowners.

Assigned Special Taxes. The following table shows the Assigned Special Taxes and the actual Special Taxes that were levied on parcels of property in CFD No. 10 for Fiscal Year 2014-15 and the percentages of the total Special Tax levy. The final maturity of the CFD No. 10 Bonds is September 1, 2034.

**TABLE 1
FISCAL YEAR 2014-15 ASSIGNED AND ACTUAL SPECIAL TAXES
CFD NO. 10**

<i>Tax Rate Zone/ Property Classification/ Tax Class⁽¹⁾</i>	<i>Number of Units/Acres</i>	<i>Fiscal Year 2014-15 Assigned Special Tax per Unit/Acre⁽²⁾</i>	<i>Total Fiscal Year 2014-15 Assigned Special Tax</i>	<i>Fiscal Year 2014-15 Actual Special Tax per Unit/Acre</i>	<i>Fiscal Year 2014-15 Levy</i>	<i>Percent of Maximum Special Tax</i>
Tax Rate Zone A						
Developed Property						
Tax Class 1 (SFD ≥ 2,090 SF)	24 Units	\$ 2,096.40	\$ 50,313.60	\$ 1,099.82	\$ 26,395.68	52.46%
Tax Class 2 (SFD 1,950 - 2,089 SF)	20 Units	2,065.97	41,319.40	1,083.84	21,676.80	52.46
Tax Class 3 (SFD 1,800 - 1,949 SF)	20 Units	1,975.92	39,518.40	1,036.60	20,732.00	52.46
Tax Class 4 (SFD ≤ 1,799 SF)	<u>13 Units</u>	<u>1,864.32</u>	<u>24,236.16</u>	<u>978.06</u>	<u>12,714.78</u>	<u>52.46</u>
Subtotal - Tax Rate Zone A	77 Units	NA	\$ 155,387.56	NA	\$ 81,519.26	52.46%
Tax Rate Zone B						
Developed Property						
Tax Class 1 (SFD ≥ 2,350 SF)	5 Units	\$ 1,162.98	\$ 5,814.90	\$ 625.74	\$ 3,128.70	53.80%
Tax Class 2 (SFD 1,900 - 2,349 SF)	6 Units	1,023.47	6,140.82	550.68	3,304.08	52.80
Tax Class 3 (SFD ≤ 1,899 SF)	<u>6 Units</u>	<u>976.55</u>	<u>5,859.30</u>	<u>525.44</u>	<u>3,152.64</u>	<u>53.80</u>
Subtotal - Tax Rate Zone B	<u>17 Units</u>	<u>NA</u>	<u>\$ 17,815.02</u>	<u>NA</u>	<u>\$ 9,585.42</u>	<u>53.80%</u>
Total	94 Units	NA	\$ 173,202.58	NA	\$ 91,104.68	52.60%

⁽¹⁾ Classification pursuant to the Rate and Method of Apportionment.

⁽²⁾ The Assigned Special Tax rates increase by 2.00% per year.

Source: David Taussig & Associates, Inc.

For the complete text of the CFD No. 10 Rate and Method, see APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

Estimated Direct and Overlapping Indebtedness. Within the boundaries of CFD No. 10 are numerous overlapping local agencies providing public services. The only outstanding debt secured by a special tax or assessment on the parcels within CFD No. 10 is the Community Facilities District No. 10 of Riverside Unified School District 2005 Special Tax Bonds, Series A (the “Prior CFD No. 10 Bonds”). However, Table 2 below does not include the Prior CFD No. 10 Bonds and instead includes the \$1,140,000* aggregate principal amount of the Community Facilities District No. 10 of Riverside Unified School District, 2015 Special Tax Refunding Bonds (the “CFD No. 10 Bonds”) being issued to refund the Prior CFD No. 10 Bonds. In addition, there is \$249,871 outstanding principal amount of general obligation bonds allocable to CFD No. 10 based on the current assessed value of CFD No. 10 relative to the current assessed value within the boundaries of the applicable taxing jurisdiction issuing the general obligation bonds.

* Preliminary, subject to change.

**TABLE 2
DIRECT AND OVERLAPPING DEBT SUMMARY
AS OF SEPTEMBER 2, 2014
CFD NO. 10**

<i>Tax Rate Zone/Overlapping District</i>	<i>Actual Fiscal Year 2014-15 Total Levy</i>	<i>Amount of Levy on Parcels in District</i>	<i>Percent on Levy on Parcels in District</i>	<i>Total Debt Outstanding⁽¹⁾</i>	<i>District Share of Total Debt Outstanding</i>
Tax Rate Zone A					
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$ 10,097 ⁽²⁾	0.0950%	\$138,110,000	\$ 131,185
City of Riverside G.O. Bonds	1,444,251	1,191 ⁽²⁾	0.0825	13,395,000	11,047
Metropolitan Water District G.O. Bonds	100,066,262	666 ⁽²⁾	0.0007	132,275,000	880
Riverside City Community College G.O. Bonds	<u>14,174,770</u>	<u>3,408⁽²⁾</u>	<u>0.0240</u>	<u>227,097,323⁽³⁾</u>	<u>54,595</u>
Subtotal - Tax Rate Zone A	\$ 126,315,751	\$ 15,362	0.2022%	\$510,877,323	\$ 197,707
Tax Rate Zone B					
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$ 2,822 ⁽²⁾	0.0265%	\$138,110,000	\$ 36,661
Metropolitan Water District G.O. Bonds	100,066,262	186 ⁽²⁾	0.0002	132,275,000	246
Riverside City Community College G.O. Bonds	<u>14,174,770</u>	<u>952⁽²⁾</u>	<u>0.0067</u>	<u>227,097,323⁽³⁾</u>	<u>15,257</u>
Subtotal - Tax Rate Zone B	\$ 124,871,500	\$ 3,960	0.0334%	\$497,482,323	\$ 52,164
Estimated Share of Overlapping Debt Allocable to the District					\$ 249,871
Series 2014 Refunding CFD No. 10 Bonds (Tax Rate Zone A)					1,011,522 ⁽⁴⁾
Series 2014 Refunding CFD No. 10 Bonds (Tax Rate Zone B)					<u>128,478⁽⁴⁾</u>
Plus the Series 2014 Refunding CFD No. 10 Bonds					<u>\$ 1,140,000*</u>
Estimated Share of Direct and Overlapping Debt Allocable to the District					\$ 1,389,871*

* Preliminary, subject to change.

(1) As of September 2, 2014. Principal for City of Riverside GO Bonds and Community College Bonds is made on August 1 of each year. Principal for MWD GO Bonds is made on March 1 of each year. All other districts pay principal on September 1 of each year.

(2) Estimated Fiscal Year 2014-15 levy. Calculated by multiplying the Fiscal Year 2014-15 *ad valorem* rate by the Fiscal Year 2014-15 net assessed value.

(3) Includes 2014 GO Refunding Bonds, Series A & B, issued May 29, 2014.

(4) Allocations to each Tax Zone are based on the allocable share of debt service set forth in the Official Statement relating to the Prior CFD No. 10 Bonds.

Source: David Taussig & Associates, Inc.

Value-to-Lien Ratios. The total assessed values of all of the taxable property in CFD No. 10, as determined by the County Assessor for Fiscal Year 2014-15, is \$24,721,747. The direct and overlapping land secured special tax, assessment and general obligation bonded indebtedness within CFD No. 10 as of September 2, 2014 was approximately \$1,389,871*. The assessed value-to-lien ratio of the property within CFD No. 10, based on the Fiscal Year 2014-15 assessed values, the aggregate principal amount of the CFD No. 10 Bonds and the estimated direct and overlapping land secured special tax, and assessment and general obligation bonded indebtedness within CFD No. 10 is approximately 17.79-to-1*. The following table summarizes the assessed value-to-lien ratios within CFD No. 10 by tax zone and owner.

* Preliminary, subject to change.

**TABLE 3
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS
CFD NO. 10**

<i>Tax Rate Zone/Owner⁽¹⁾</i>	<i>Tax Zone Allocation⁽²⁾</i>	<i>Number of Parcels</i>	<i>CFD No. 10 Outstanding Bond Amount^{(3)*}</i>	<i>RUSD GO Outstanding Bond Amount⁽⁴⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽⁴⁾</i>	<i>MWD GO Outstanding Bond Amount⁽⁴⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽⁴⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁵⁾</i>	<i>Value-to-Lien Ratio*</i>
Tax Rate Zone A										
Individual Owners	88.73%	77	\$ 1,011,522	\$ 131,185	\$ 11,047	\$ 880	\$ 54,595	\$ 1,209,229	\$ 19,334,625	15.99
Tax Rate Zone B										
Individual Owners	<u>11.27</u>	<u>17</u>	<u>128,478</u>	<u>36,661</u>	<u>0</u>	<u>246</u>	<u>15,257</u>	<u>180,642</u>	<u>5,387,122</u>	<u>29.82</u>
Total	100.00%	94	\$ 1,140,000	\$ 167,845	\$ 11,047	\$ 1,126	\$ 69,852	\$ 1,389,871	\$ 24,721,747	17.79

* Preliminary, subject to change.

(1) Based on ownership as of January 1, 2014 provided by the Riverside County Assessor.

(2) Based on share of debt service per Series 2005 Official Statement.

(3) Allocations to each Tax Zone are based on share of debt service per Series 2005 Official Statement.

(4) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(5) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Value-to-lien Ratios by Range. The following table summarizes the assessed value-to-lien ratios within CFD No. 10 by value-to-lien range.

**TABLE 4
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS BY RANGES
CFD NO. 10**

<i>Value-to-Lien Range</i>	<i>Number of Residential Units</i>	<i>CFD No. 10 Outstanding Bond Amount^{(1)*}</i>	<i>Percent of Total CFD No. 10 Outstanding Bond Amount*</i>	<i>RUSD GO Outstanding Bond Amount⁽²⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽²⁾</i>	<i>MWD GO Outstanding Bond Amount⁽²⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽²⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽³⁾</i>	<i>Percent of Total Fiscal Year 2014-15 Assessed Value*</i>	<i>Value-to-Lien Ratio*</i>
0.00-4.99	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.00%	NA
5.00-9.99	0	0	0.00	0	0	0	0	0	0	0.00	NA
10.00-14.99	20	265,145	23.26	29,669	2,498	199	12,347	309,858	4,352,065	17.60	14.05
15.00-19.99	57	746,377	65.47	101,516	8,548	681	42,248	899,371	14,982,560	60.60	16.66
20.00 or Greater	<u>17</u>	<u>128,478</u>	<u>11.27</u>	<u>36,661</u>	<u>0</u>	<u>246</u>	<u>15,257</u>	<u>180,641</u>	<u>5,387,122</u>	<u>21.79</u>	<u>29.82</u>
Total	94	\$ 1,140,000	100.00%	\$ 167,845	\$ 11,047	\$ 1,126	\$ 69,852	\$ 1,389,871	\$ 24,721,747	100.00%	17.79

* Preliminary, subject to change.

(1) Allocations to each Tax Zone are based on share of debt service per Series 2005 Official Statement. Allocation within each Tax Zone based on share of Fiscal Year 2014-15 special tax levy.

(2) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(3) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Sample Tax Bill. The following tables show the projected total effective tax rate for sample residential parcels in CFD No. 10, based on the average square footage of the homes located on such parcels and other characteristics described in the tables.

**TABLE 5A
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 09-159
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥2,900 SF)
CFD NO. 10, TAX ZONE A**

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
\$262,768			
Average Unit Size for Developed Property ⁽²⁾	2,100 Square Feet		
Average Lot Size for Developed Property ⁽³⁾	7,605 Square Feet		
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,627.68	
Metropolitan Water District G.O. Bonds	0.00350	9.20	
City of Riverside G.O. Bonds	0.00626	16.45	
Riverside Unified School District G.O. Bonds	0.05307	139.45	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>47.06</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,839.84	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.75	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		31.44	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 10, Tax Zone A ⁽¹¹⁾		<u>1,099.82</u>	<u>\$ 2,096.40</u>
Total Assessments and Parcel Charges		\$ 1,179.73	\$ 2,176.31
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 4,019.57</u>	 <u>\$ 5,016.15</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 1.52970%	 1.90897%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 24 Tax Class 1 units in CFD No. 10, Tax Zone A as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 24 Tax Class 1 units in CFD No. 10, Tax Zone A.

⁽³⁾ Based on the average lot size for 24 Tax Class 1 units in CFD No. 10, Tax Zone A.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit, and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$31.44 per benefit unit. The rate does not increase.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.

⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 10, Tax Zone A Fiscal Year 2014-15 actual Special Tax rate of \$1,099.82 per unit for Tax Class 1 property. Assigned Special Tax rate is \$2,096.40 per unit for Tax Class 1 property. The Assigned Special Tax rate escalates annually by 2%.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 5B
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 09-159
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 3 (1,800-1,949 SF)
CFD NO. 10, TAX ZONE A

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
\$244,444			
Average Unit Size for Developed Property ⁽²⁾	1,859 Square Feet		
Average Lot Size for Developed Property ⁽³⁾	7,623 Square Feet		
 <i>AD VALOREM PROPERTY TAXES⁽⁴⁾</i>			
Basic Levy	1.00000%	\$ 2,444.44	
Metropolitan Water District G.O. Bonds	0.00350	8.56	
City of Riverside G.O. Bonds	0.00626	15.30	
Riverside Unified School District G.O. Bonds	0.05307	129.73	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>43.78</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,641.81	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.75	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		31.44	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 10, Tax Zone A ⁽¹¹⁾		<u>1,036.60</u>	<u>\$ 1,975.92</u>
Total Assessments and Parcel Charges		\$ 1,116.51	\$ 2,055.83
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 3,758.32</u>	 <u>\$ 4,697.64</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 1.53750%	 1.92176%

- ⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 20 Tax Class 3 units in CFD No. 10, Tax Zone A as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- ⁽²⁾ Based on the average unit size for 20 Tax Class 3 units in CFD No. 10, Tax Zone A.
- ⁽³⁾ Based on the average lot size for 20 Tax Class 3 units in CFD No. 10, Tax Zone A.
- ⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.
- ⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- ⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit, and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.
- ⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- ⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$31.44 per benefit unit. The rate does not increase.
- ⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.
- ⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.
- ⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 10, Tax Zone A Fiscal Year 2014-15 actual Special Tax rate of \$1,036.60 per unit for Tax Class 3 property. Assigned Special Tax rate is \$1,975.92 per unit for Tax Class 3 property. The Assigned Special Tax rate escalates annually by 2%.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 5C
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 88-001
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥2,350 SF)
CFD NO. 10, TAX ZONE B

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
\$343,968			
Average Unit Size for Developed Property ⁽²⁾			
2,584 Square Feet			
Average Lot Size for Developed Property ⁽³⁾			
20,560 Square Feet			
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 3,439.68	
Metropolitan Water District G.O. Bonds	0.00350	12.04	
Riverside Unified School District G.O. Bonds	0.05307	182.54	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>61.60</u>	
Total General Property Taxes and Overrides	1.07448%	\$ 3,695.87	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.86	
County Service Area 152 - NPDES ⁽⁶⁾		40.00	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 126E ⁽⁸⁾		120.00	
Riverside Unified School District CFD No. 10, Tax Zone B ⁽⁹⁾		<u>625.74</u>	<u>\$ 1,162.98</u>
Total Assessments and Parcel Charges		\$ 798.82	\$ 1,336.06
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 4,494.69</u>	 <u>\$ 5,031.93</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 1.30672%	 1.46291%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 5 Tax Class 1 units in CFD No. 10, Tax Zone B as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 5 Tax Class 1 units in CFD No. 10, Tax Zone B.

⁽³⁾ Based on the average lot size for 5 Tax Class 1 units in CFD No. 10, Tax Zone B.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$40.00 per benefit unit. The rate does not increase.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$120.00 per benefit unit. The rate does not increase.

⁽⁹⁾ Based on the Riverside Unified School District CFD No. 10, Tax Zone B Fiscal Year 2014-15 actual Special Tax rate of \$625.74 per unit for Tax Class 1 property. Assigned Special Tax rate is \$1,162.98 per unit for Tax Class 1 property. The Assigned Special Tax rate escalates annually by 2%.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 5D
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 88-001
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 3 (≤1,899 SF)
CFD NO. 10, TAX ZONE B

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾		\$297,715	
Average Unit Size for Developed Property ⁽²⁾		1,882 Square Feet	
Average Lot Size for Developed Property ⁽³⁾		20,691 Square Feet	
 <i>AD VALOREM</i> PROPERTY TAXES ⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,977.15	
Metropolitan Water District G.O. Bonds	0.00350	10.42	
Riverside Unified School District G.O. Bonds	0.05307	158.00	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>53.32</u>	
Total General Property Taxes and Overrides	1.07448%	\$ 3,198.88	
 ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.87	
County Service Area 152 - NPDES ⁽⁶⁾		40.00	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 126E ⁽⁸⁾		120.00	
Riverside Unified School District CFD No. 10, Tax Zone B ⁽⁹⁾		<u>525.44</u>	\$ 976.55
Total Assessments and Parcel Charges		\$ 698.53	\$ 1,149.64
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 3,897.41</u>	 <u>\$ 4,348.52</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 1.30911%	 1.46063%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 6 Tax Class 3 units in CFD No. 10, Tax Zone B as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 6 Tax Class 3 units in CFD No. 10, Tax Zone B.

⁽³⁾ Based on the average lot size for 6 Tax Class 3 units in CFD No. 10, Tax Zone B.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$40.00 per benefit unit. The rate does not increase.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$120.00 per benefit unit. The rate does not increase.

⁽⁹⁾ Based on the Riverside Unified School District CFD No. 10, Tax Zone B Fiscal Year 2014-15 actual Special Tax rate of \$525.44 per unit for Tax Class 3 property. Assigned Special Tax rate is \$976.55 per unit for Tax Class 3 property. The Assigned Special Tax rate escalates annually by 2%.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in CFD No. 10 for Fiscal Year 2009-10 through Fiscal Year 2013-14.

TABLE 6
SPECIAL TAX DELINQUENCY HISTORY
FISCAL YEARS 2009-10 THROUGH 2013-14
CFD NO. 10

<i>Fiscal Year</i>	<i>Total Amount Levied</i>	<i>Total Number of Parcels Levied</i>	<i>Total Delinquent Special Taxes at Fiscal Year End⁽¹⁾</i>	<i>Delinquency Rate at Fiscal Year End</i>	<i>Total Number of Parcels Delinquent as of 11/3/2014</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
2009-10	\$83,772	94	\$3,448	4.12%	0	\$ 0	0.00%
2010-11	79,583	94	3,050	3.83	0	0	0.00
2011-12	75,604	94	1,780	2.35	0	0	0.00
2012-13	75,604	94	2,209	2.92	0	0	0.00
2013-14	79,223	94	0	0.00	0	0	0.00

⁽¹⁾ Amount delinquent as of June 30 of the fiscal year in which special taxes were levied.
Source: David Taussig & Associates, Inc.

**INSERT AREA MAP FOR
CFD NO. 13
IMPROVEMENT AREA 1**

CFD NO. 13 AND IMPROVEMENT AREA 1

Location and Description. CFD No. 13 and Improvement Area 1 therein was formed by the School District in November 2003 to finance various public improvements needed to develop property located within CFD No. 13. CFD No. 13 Improvement Area 1 consists of 112.79 acres and is located in the northwestern portion of Riverside County adjacent to the city limits of the City of Riverside. CFD No. 13 Improvement Area 1 includes 208 taxable parcels. CFD No. 13 Improvement Area 1 is completely built out with 208 completed single family detached homes which have been conveyed to individual homeowners.

Assigned Special Taxes. The following table shows the Assigned Special Taxes and the actual Special Taxes that were levied on parcels of property in CFD No. 13 Improvement Area 1 for Fiscal Year 2014-15 and the percentages of the total Special Tax levy. The final maturity of the CFD No. 13-1 Bonds is September 1, 2034.

**TABLE 7
FISCAL YEAR 2014-15 ASSIGNED AND ACTUAL SPECIAL TAXES
CFD NO. 13, IMPROVEMENT AREA NO. 1**

<i>Property Classification/ Tax Class⁽¹⁾</i>	<i>Number of Units/Acres</i>	<i>Fiscal Year 2014-15 Assigned Special Tax per Unit/Acre</i>	<i>Total Fiscal Year 2014-15 Assigned Special Tax</i>	<i>Fiscal Year 2014-15 Actual Special Tax per Unit/Acre</i>	<i>Fiscal Year 2014-15 Levy</i>	<i>Percent of Maximum Special Tax</i>
Developed Property						
Tax Class 1 (SFD ≥ 3,801 SF)	91 Units	\$ 3,138.00	\$ 288,696.00	\$ 2,720.98	\$ 250,330.16	86.71%
Tax Class 2 (SFD 3,601 - 3,800 SF)	42 Units	3,041.00	127,722.00	2,636.86	110,748.12	86.71
Tax Class 3 (SFD 3,401 - 3,600 SF)	51 Units	2,952.00	150,552.00	2,559.70	130,544.70	86.71
Tax Class 4 (SFD 3,201 - 3,400 SF)	23 Units	2,855.00	65,665.00	2,475.58	56,938.34	86.71
Tax Class 5 (SFD 3,001 - 3,200 SF)	0 Units	2,751.00	0.00	0.00	0.00	NA
Tax Class 6 (SFD 2,801 - 3,000 SF)	0 Units	2,647.00	0.00	0.00	0.00	NA
Tax Class 7 (SFD 2,601 - 2,800 SF)	0 Units	2,543.00	0.00	0.00	0.00	NA
Tax Class 8 (SFD ≤ 2,600 SF)	0 Units	2,439.00	0.00	0.00	0.00	NA
Total	208 Units	NA	\$ 632,635.00	NA	\$ 548,561.32	86.71%

⁽¹⁾ Classification pursuant to the Rate and Method of Apportionment.
Source: David Taussig & Associates, Inc.

For the complete text of the CFD No. 13 Improvement Area 1 Rate and Method, see APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

Estimated Direct and Overlapping Indebtedness. Within the boundaries of CFD No. 13 Improvement Area 1 are numerous overlapping local agencies providing public services. The only outstanding debt secured by a special tax or assessment on the parcels within CFD No. 13 Improvement Area 1 is the Community Facilities District No. 13 of Riverside Unified School District 2005 Special Tax Bonds (Improvement Area No. 1) (the “Prior CFD No. 13-1 Bonds”). However, Table 8 below does not include the Prior CFD No. 13-1 Bonds and instead includes the \$5,775,000* aggregate principal amount of the Community Facilities District No. 13 of Riverside Unified School District, 2015 Special Tax Refunding Bonds (Improvement Area No. 1) (the “CFD No. 13 Bonds”) being issued to refund the Prior CFD No. 13-1 Bonds. In addition, there is \$1,045,317 outstanding principal amount of general obligation bonds allocable to CFD No. 13 Improvement Area 1 based on the current assessed value of CFD No. 13 Improvement Area 1 relative to the current assessed value within the boundaries of the applicable taxing jurisdiction issuing the general obligation bonds.

* Preliminary, subject to change.

**TABLE 8
DIRECT AND OVERLAPPING DEBT SUMMARY
AS OF SEPTEMBER 2, 2014
CFD NO. 13, IMPROVEMENT AREA NO. 1**

<i>Overlapping District</i>	<i>Actual Fiscal Year 2014-15 Total Levy</i>	<i>Amount of Levy on Parcels in District</i>	<i>Percent on Levy on Parcels in District</i>	<i>Total Debt Outstanding⁽¹⁾</i>	<i>District Share of Total Debt Outstanding</i>
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$55,516 ⁽²⁾	0.5222%	\$138,110,000	\$ 721,254
Metropolitan Water District G.O. Bonds	100,066,262	3,661 ⁽²⁾	0.0037	132,275,000	4,840
Riverside City Community College G.O. Bonds	14,174,770	18,735 ⁽²⁾	0.1322	227,097,323 ⁽³⁾	300,164
WRCOG HERO Program ⁽⁴⁾	NA	2,002	NA	19,059	<u>19,059⁽⁵⁾</u>
				Estimated Share of Overlapping Debt Allocable to the District	\$ 1,045,317
				Plus the Series 2014 Refunding CFD No. 13, IA No. 1 Bonds	<u>\$ 5,775,000*</u>
				Estimated Share of Direct and Overlapping Debt Allocable to the District	\$ 6,820,317*

* Preliminary, subject to change.

(1) As of September 2, 2014. Principal for City of Riverside GO Bonds and Community College Bonds is made on August 1 of each year. Principal for MWD GO Bonds is made on March 1 of each year. All other districts pay principal on September 1 of each year.

(2) Estimated Fiscal Year 2014-15 levy. Calculated by multiplying the Fiscal Year 2014-15 *ad valorem* rate by the Fiscal Year 2014-15 net assessed value.

(3) Includes 2014 GO Refunding Bonds, Series A & B, issued May 29, 2014.

(4) The WRCOG HERO Program is a Property Assessed Clean Energy (PACE) program under AB 811. Participating property owners enter into a contractual assessment with WRCOG to finance energy efficiency, renewable energy, and water conservation improvements on their property. Bonds are issued, and the assessments are paid back over time through an annual assessment on the property tax bill.

(5) Includes outstanding assessment lien for one parcel in CFD 13 IA No. 1.

Source: David Taussig & Associates, Inc.

Value-to-Lien Ratios. The total assessed values of all of the taxable property in CFD No. 13 Improvement Area 1, as determined by the County Assessor for Fiscal Year 2014-15, is \$105,398,010. The direct and overlapping land secured special tax, assessment and general obligation bonded indebtedness within CFD No. 13 Improvement Area 1 as of September 2, 2014 was approximately \$6,820,317*. The assessed value-to-lien ratio of the property within CFD No. 13 Improvement Area 1, based on the Fiscal Year 2014-15 assessed values, the aggregate principal amount of the CFD No. 13-1 Bonds and the estimated direct and overlapping land secured special tax, and assessment and general obligation bonded indebtedness within CFD No. 13 Improvement Area 1 is approximately 15.45-to-1*. The following table summarizes the assessed value-to-lien ratios within CFD No. 13 Improvement Area 1 by owner.

* Preliminary, subject to change.

**TABLE 9
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS
CFD NO. 13, IMPROVEMENT AREA NO. 1**

<i>Owner⁽¹⁾</i>	<i>Fiscal Year 2014-15 CFD No. 13, IA No. 1 Levy</i>	<i>Percent of Total Levy</i>	<i>Number of Parcels</i>	<i>CFD No. 13, IA No. 1 Outstanding Bond Amount^{(2)*}</i>	<i>RUSD GO Outstanding Bond Amount⁽³⁾</i>	<i>MWD GO Outstanding Bond Amount⁽³⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽³⁾</i>	<i>WRCOG HERO Program Outstanding Bond Amount⁽⁴⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁵⁾</i>	<i>Value-to- Lien Ratio*</i>
Individual Owners	\$ 548,561	100.00%	208	\$ 5,775,000	\$ 721,254	\$ 4,840	\$ 300,164	\$ 19,059	\$ 6,820,317	\$ 105,398,010	15.45

* Preliminary, subject to change.

(1) Based on ownership as of January 1, 2014 provided by the Riverside County Assessor.

(2) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(3) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(4) The WRCOG HERO Program is a Property Assessed Clean Energy (PACE) program under AB 811. Participating property owners enter into a contractual assessment with WRCOG to finance energy efficiency, renewable energy, and water conservation improvements on their property. Bonds are issued, and the assessments are paid back over time through an annual assessment on the property tax bill.

(5) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Value-to-lien Ratios by Range. The following table summarizes the assessed value-to-lien ratios within CFD No. 13 Improvement Area 1 by value-to-lien range.

**TABLE 10
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS BY RANGES
CFD NO. 13, IMPROVEMENT AREA NO. 1**

Value-to-Lien Range	Number of Residential Units	Fiscal Year 2014-15 CFD No. 13, IA No. 1 Levy	CFD No. 13, IA No. 1 Outstanding Bond Amount^{(1)*}	Percent of Total CFD No. 13, IA No. 1 Outstanding Bond Amount*	RUSD GO Outstanding Bond Amount⁽²⁾	MWD GO Outstanding Bond Amount⁽²⁾	RCCD GO Outstanding Bond Amount⁽²⁾	WRCOG HERO Program Outstanding Bond Amount⁽³⁾	Total Direct and Overlapping Debt*	Fiscal Year 2014-15 Assessed Value⁽⁴⁾	Percent of Total Fiscal Year 2014-15 Assessed Value*	Value-to-Lien Ratio*
0.00-4.99	0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.00%	NA
5.00-9.99	1	2,637	27,760	0.48	3,394	23	1,412	19,059	51,647	492,224	0.47	9.53
10.00-14.99	73	194,761	2,050,358	35.50	220,726	1,481	91,860	0	2,364,425	32,279,444	30.63	13.65
15.00-19.99	130	340,279	3,582,301	62.03	477,512	3,204	198,726	0	4,261,743	69,766,342	66.19	16.37
20.00 or Greater	4	10,884	114,581	1.98	19,623	132	8,166	0	142,501	2,860,000	2.71	20.07
Total	208	\$ 548,561	\$ 5,775,000	100.00%	\$ 721,254	\$ 4,840	\$ 300,164	\$ 19,059	\$ 6,820,317	\$ 105,398,010	100.00%	15.45

* Preliminary, subject to change.

(1) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(2) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(3) The WRCOG HERO Program is a Property Assessed Clean Energy (PACE) program under AB 811. Participating property owners enter into a contractual assessment with WRCOG to finance energy efficiency, renewable energy, and water conservation improvements on their property. Bonds are issued, and the assessments are paid back over time through an annual assessment on the property tax bill.

(4) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Sample Tax Bill. The following tables show the projected total effective tax rate for sample residential parcels in CFD No. 13 Improvement Area 1, based on the average square footage of the homes located on such parcels and other characteristics described in the tables.

TABLE 11A
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 88-092, 88-095
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥3,801 SF)
CFD NO. 13, IMPROVEMENT AREA NO. 1

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
\$533,913			
Average Unit Size for Developed Property ⁽²⁾			
4,316 Square Feet			
Average Lot Size for Developed Property ⁽³⁾			
18,309 Square Feet			
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 5,339.13	
Metropolitan Water District G.O. Bonds	0.00350	18.69	
Riverside Unified School District G.O. Bonds	0.05307	283.35	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>95.62</u>	
Total General Property Taxes and Overrides	1.07448%	\$ 5,736.79	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.85	
County Service Area 132 – Street Lights ⁽⁶⁾		62.34	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 NPDES ⁽⁸⁾		40.00	
Lighting & Landscaping Maintenance District No. 89-1-C Zone 45 ⁽⁹⁾		252.04	
WMWD Fixed Sewer Charge ⁽¹⁰⁾		487.72	
Riverside Unified School District CFD No. 13, IA No. 1 ⁽¹¹⁾		<u>2,720.98</u>	<u>\$ 3,138.00</u>
Total Assessments and Parcel Charges		\$ 3,576.15	\$ 3,993.17
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 9,312.93</u>	 <u>\$ 9,729.95</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 1.74428%	 1.82239%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 92 Tax Class 1 units in CFD No. 13, IA No. 1, as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 92 Tax Class 1 units in CFD No. 13, IA No. 1.

⁽³⁾ Based on the average lot size for 92 Tax Class 1 units in CFD No. 13, IA No. 1.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$62.34 per parcel. The rate escalates annually by the greater of the change in Consumer Price Index for the Los Angeles-Riverside-Orange County Area or 2.00%.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$40.00 per parcel. The rate does not increase.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$252.04 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles-Riverside-Orange County area, not to exceed 2.00%.

⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$487.72 per parcel. Amount fluctuates by the change in operations and maintenance costs for the service area. There is no maximum percentage increase limit for the sewer rate.

⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 13, IA No. 1 Fiscal Year 2014-15 actual Special Tax rate of \$2,720.98 per unit for Tax Class 1 property. Assigned Special Tax rate is \$3,138.00 per unit for Tax Class 1 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; City of Menifee; Western Municipal Water District.

TABLE 11B
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 88-092, 88-095
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 2 (3,601-3,800 SF)
CFD NO. 13, IMPROVEMENT AREA NO. 1

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾		\$492,224	
NET ASSESSED VALUE ⁽¹⁾		\$492,224	
Unit Size ⁽²⁾		3,740 Square Feet	
Lot Size ⁽³⁾		19,166 Square Feet	
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 4,922.24	
Metropolitan Water District G.O. Bonds	0.00350	17.23	
Riverside Unified School District G.O. Bonds	0.05307	261.22	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>88.16</u>	
Total General Property Taxes and Overrides	1.07448%	\$ 5,288.85	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.84	
County Service Area 132 – Street Lights ⁽⁶⁾		62.34	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 NPDES ⁽⁸⁾		40.00	
Lighting & Landscaping Maintenance District No. 89-1-C Zone 45 ⁽⁹⁾		252.04	
WMWD Fixed Sewer Charge ⁽¹⁰⁾		487.72	
WRCOG HERO Funded Fiscal Year 2013-14 ⁽¹¹⁾		2,002.44	
Riverside Unified School District CFD No. 13, IA No. 1 ⁽¹²⁾		<u>2,636.86</u>	<u>\$ 3,041.00</u>
Total Assessments and Parcel Charges		\$ 5,494.46	\$ 5,898.60
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 10,783.31</u>	<u>\$ 11,187.45</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		2.19073%	2.27284%

- (1) Based on assessed values for unit with WRCOG HERO PACE assessment in CFD No. 13, IA No. 1 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- (2) Based on actual unit size.
- (3) Based on actual lot size.
- (4) Actual Fiscal Year 2014-15 *ad valorem* rates.
- (5) Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- (6) Based on the Fiscal Year 2014-15 rate of \$62.34 per parcel. The rate escalates annually by the greater of the change in Consumer Price Index for the Los Angeles-Riverside-Orange County Area or 2.00%.
- (7) Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- (8) Based on the Fiscal Year 2014-15 rate of \$40.00 per parcel. The rate does not increase.
- (9) Based on the Fiscal Year 2014-15 rate of \$252.04 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles-Riverside-Orange County area, not to exceed 2.00%.
- (10) Based on the Fiscal Year 2014-15 rate of \$487.72 per parcel. Amount fluctuates by the change in operations and maintenance costs for the service area. There is no maximum percentage increase limit for the sewer rate.
- (11) Based on administrative expenses, principal and interest due on outstanding lien on March 1, 2015 and September 1, 2015.
- (12) Based on the Riverside Unified School District CFD No. 13, IA No. 1 Fiscal Year 2014-15 actual Special Tax rate of \$2,636.86 per unit for Tax Class 2 property. Assigned Special Tax rate is \$3,041.00 per unit for Tax Class 2 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; City of Menifee; Western Municipal Water District.

TABLE 11C
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 88-092, 88-095
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 4 (3,201-3,400 SF)
CFD NO. 13, IMPROVEMENT AREA NO. 1

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾		\$471,830	
Average Unit Size for Developed Property ⁽²⁾		3,287 Square Feet	
Average Lot Size for Developed Property ⁽³⁾		17,765 Square Feet	
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 4,718.30	
Metropolitan Water District G.O. Bonds	0.00350	16.51	
Riverside Unified School District G.O. Bonds	0.05307	250.40	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>84.50</u>	
Total General Property Taxes and Overrides	1.07448%	\$ 5,069.71	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.84	
County Service Area 132 – Street Lights ⁽⁶⁾		62.34	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 NPDES ⁽⁸⁾		40.00	
Lighting & Landscaping Maintenance District No. 89-1-C Zone 45 ⁽⁹⁾		252.04	
WMWD Fixed Sewer Charge ⁽¹⁰⁾		487.72	
Riverside Unified School District CFD No. 13, IA No. 1 ⁽¹¹⁾		<u>2,475.58</u>	<u>\$ 2,855.00</u>
Total Assessments and Parcel Charges		\$ 3,330.74	\$ 3,710.16
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 8,400.46</u>	 <u>\$ 8,779.88</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 1.78040%	 1.86081%

(1) Based on average net assessed value plus \$7,000 homeowner's exemption for 23 Tax Class 4 units in CFD No. 13, IA No. 1, as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

(2) Based on the average unit size for 23 Tax Class 4 units in CFD No. 13, IA No. 1.

(3) Based on the average lot size for 23 Tax Class 4 units in CFD No. 13, IA No. 1.

(4) Actual Fiscal Year 2014-15 *ad valorem* rates.

(5) Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

(6) Based on the Fiscal Year 2014-15 rate of \$62.34 per parcel. The rate escalates annually by the greater of the change in Consumer Price Index for the Los Angeles-Riverside-Orange County Area or 2.00%.

(7) Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

(8) Based on the Fiscal Year 2014-15 rate of \$40.00 per parcel. The rate does not increase.

(9) Based on the Fiscal Year 2014-15 rate of \$252.04 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles-Riverside-Orange County area, not to exceed 2.00%.

(10) Based on the Fiscal Year 2014-15 rate of \$487.72 per parcel. Amount fluctuates by the change in operations and maintenance costs for the service area. There is no maximum percentage increase limit for the sewer rate.

(11) Based on the Riverside Unified School District CFD No. 13, IA No. 1 Fiscal Year 2014-15 actual Special Tax rate of \$2,475.58 per unit for Tax Class 4 property. Assigned Special Tax rate is \$2,855.00 per unit for Tax Class 4 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; City of Menifee; Western Municipal Water District.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in CFD No. 13 Improvement Area 1 for Fiscal Year 2009-10 through Fiscal Year 2013-14.

**TABLE 12
SPECIAL TAX DELINQUENCY HISTORY
CFD NO. 13, IMPROVEMENT AREA NO. 1**

<i>Fiscal Year</i>	<i>Total Amount Levied</i>	<i>Total Number of Parcels Levied</i>	<i>Total Delinquent Special Taxes at Fiscal Year End⁽¹⁾</i>	<i>Delinquency Rate at Fiscal Year End</i>	<i>Total Number of Parcels Delinquent as of 11/3/2014</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
2009-10	\$607,822	200	\$52,445	8.63%	0	\$ 0	0.00%
2010-11	577,432	208	19,359	3.35	1	1,388 ⁽²⁾	0.24
2011-12	548,561	208	19,668	3.59	1	2,637 ⁽²⁾	0.48
2012-13	548,561	208	23,791	4.34	1	2,637 ⁽²⁾	0.48
2013-14	548,561	208	12,118	2.21	1	1,360	0.25

⁽¹⁾ Amount delinquent as of June 30 of the fiscal year in which special taxes were levied.

⁽²⁾ Includes delinquent amount for one parcel in CFD No. 13, IA No. 1 currently under foreclosure.

Source: David Taussig & Associates, Inc.

**INSERT AREA MAP FOR
CFD NO. 14**

CFD NO. 14

Location and Description. CFD No. 14 was formed by the School District in January 2004 to finance various public improvements needed to develop property located within CFD No. 14. CFD No. 14 (totaling approximately 37 acres) consists of two non-continuous parcels located in the northern portion of the City of Riverside: 1) Tract No. 30922 consisting of 32.88 acres and 2) Tract No. 31512 consisting of 5.24 acres. CFD No. 14 includes 307 taxable parcels. CFD No. 14 is completely built out with 307 completed single family detached homes which have been conveyed to individual homeowners.

Assigned Special Taxes. The following table shows the Assigned Special Taxes and the actual Special Taxes that were levied on parcels of property in CFD No. 14 for Fiscal Year 2014-15 and the percentages of the total Special Tax levy. The final maturity of the CFD No. 14 Bonds is September 1, 2035.

**TABLE 13
FISCAL YEAR 2014-15 ASSIGNED AND ACTUAL SPECIAL TAXES
CFD NO. 14**

<i>Tax Rate Zone/ Property Classification/ Tax Class⁽¹⁾</i>	<i>Number of Units/Acres</i>	<i>Fiscal Year 2014-15 Assigned Special Tax per Unit/Acre</i>	<i>Total Fiscal Year 2014-15 Assigned Special Tax</i>	<i>Fiscal Year 2014-15 Actual Special Tax per Unit/Acre</i>	<i>Fiscal Year 2014-15 Levy</i>	<i>Percent of Maximum Special Tax</i>
Tax Rate Zone 1						
Developed Property						
Tax Class 1 (SFD ≥ 1,651 SF)	85 Units	\$ 1,632.00	\$ 138,720.00	\$ 1,305.14	\$ 110,936.90	79.97%
Tax Class 2 (SFD 1,451 - 1,650 SF)	15 Units	1,546.00	23,190.00	1,236.36	18,545.40	79.97
Tax Class 3 (SFD ≤ 1,450 SF)	<u>53 Units</u>	<u>1,494.00</u>	<u>79,182.00</u>	<u>1,194.78</u>	<u>63,323.34</u>	<u>79.97</u>
Subtotal - Tax Rate Zone 1	153 Units	NA	\$ 241,092.00	NA	\$ 192,805.64	79.97%
Tax Rate Zone 2						
Developed Property						
Tax Class 1 (SFD ≥ 2,601 SF)	46 Units	\$ 2,104.00	\$ 96,784.00	\$ 1,682.60	\$ 77,399.60	79.97%
Tax Class 2 (SFD 2,251 - 2,600 SF)	41 Units	2,070.00	84,870.00	1,655.42	67,872.22	79.97
Tax Class 3 (SFD ≤ 2,250 SF)	<u>67 Units</u>	<u>1,769.00</u>	<u>118,523.00</u>	<u>1,414.70</u>	<u>94,784.90</u>	<u>79.97</u>
Subtotal - Tax Rate Zone 2	<u>154 Units</u>	<u>NA</u>	<u>\$ 300,177.00</u>	<u>NA</u>	<u>\$ 240,056.72</u>	<u>79.97%</u>
Total	307 Units	NA	\$ 541,269.00	NA	\$ 432,862.36	79.97%

⁽¹⁾ Classification pursuant to the Rate and Method of Apportionment.
Source: David Taussig & Associates, Inc.

For the complete text of the CFD No. 14 Rate and Method, see APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

Estimated Direct and Overlapping Indebtedness. Within the boundaries of CFD No. 14 are numerous overlapping local agencies providing public services. The only outstanding debt secured by a special tax or assessment on the parcels within CFD No. 14 is the Community Facilities District No. 14 of Riverside Unified School District 2005 Special Tax Bonds, Series A (the “Prior CFD No. 14 Bonds”). However, Table 14 below does not include the Prior CFD No. 14 Bonds and instead includes the \$4,720,000* aggregate principal amount of the Community Facilities District No. 14 of Riverside Unified School District, 2015 Special Tax Refunding Bonds (the “CFD No. 14 Bonds”) being issued to refund the Prior CFD No. 14 Bonds. In addition, there is \$717,190 outstanding principal amount of general obligation bonds allocable to CFD No. 14 based on the current assessed value of CFD No. 14 relative to the current assessed value within the boundaries of the applicable taxing jurisdiction issuing the general obligation bonds.

* Preliminary, subject to change.

**TABLE 14
DIRECT AND OVERLAPPING DEBT SUMMARY
AS OF SEPTEMBER 2, 2014
CFD NO. 14**

<i>Overlapping District</i>	<i>Actual Fiscal Year 2014-15 Total Levy</i>	<i>Amount of Levy on Parcels in District</i>	<i>Percent on Levy on Parcels in District</i>	<i>Total Debt Outstanding⁽¹⁾</i>	<i>District Share of Total Debt Outstanding</i>
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$36,629 ⁽²⁾	0.3446%	\$138,110,000	\$ 475,878
City of Riverside G.O. Bonds	1,444,251	4,321 ⁽²⁾	0.2992	13,395,000	40,073
Metropolitan Water District G.O. Bonds	100,066,262	2,416 ⁽²⁾	0.0024	132,275,000	3,193
Riverside City Community College G.O. Bonds	14,174,770	12,361 ⁽²⁾	0.0872	227,097,323 ⁽³⁾	<u>198,046</u>
				Estimated Share of Overlapping Debt Allocable to the District	\$ 717,190
				Plus the Series 2014 Refunding CFD No. 14 Bonds	<u>\$ 4,720,000*</u>
				Estimated Share of Direct and Overlapping Debt Allocable to the District	\$ 5,437,190*

* Preliminary, subject to change.

⁽¹⁾ As of September 2, 2014. Principal for City of Riverside GO Bonds and Community College Bonds is made on August 1 of each year. Principal for MWD GO Bonds is made on March 1 of each year. All other districts pay principal on September 1 of each year.

⁽²⁾ Estimated Fiscal Year 2014-15 levy. Calculated by multiplying the Fiscal Year 2014-15 *ad valorem* rate by the Fiscal Year 2014-15 net assessed value.

⁽³⁾ Includes 2014 GO Refunding Bonds, Series A & B, issued May 29, 2014.

Source: David Taussig & Associates, Inc.

Value-to-Lien Ratios. The total assessed values of all of the taxable property in CFD No. 14, as determined by the County Assessor for Fiscal Year 2014-15, is \$69,717,087. The direct and overlapping land secured special tax, assessment and general obligation bonded indebtedness within CFD No. 14 as of September 2, 2014 was approximately \$5,437,190*. The assessed value-to-lien ratio of the property within CFD No. 14, based on the Fiscal Year 2014-15 assessed values, the aggregate principal amount of the CFD No. 14 Bonds and the estimated direct and overlapping land secured special tax, and assessment and general obligation bonded indebtedness within CFD No. 14 is approximately 12.82-to-1*. The following table summarizes the assessed value-to-lien ratios within CFD No. 14 by owner.

* Preliminary, subject to change.

TABLE 15
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS
CFD NO. 14

<i>Owner⁽¹⁾</i>	<i>Fiscal Year 2014-15 CFD No. 14 Levy</i>	<i>Percent of Total Levy</i>	<i>Number of Parcels</i>	<i>CFD No. 14 Outstanding Bond Amount^{(2)*}</i>	<i>RUSD GO Outstanding Bond Amount⁽³⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽³⁾</i>	<i>MWD GO Outstanding Bond Amount⁽³⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽³⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁴⁾</i>	<i>Value- to-Lien Ratio*</i>
Individual Owners	\$ 432,862	100.00%	307	\$4,720,000	\$ 475,878	\$ 40,073	\$ 3,193	\$ 198,046	\$ 5,437,190	\$ 69,717,087	12.82

* Preliminary, subject to change.

(1) Based on ownership as of January 1, 2014 provided by the Riverside County Assessor.

(2) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(3) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(4) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Value-to-lien Ratios by Range. The following table summarizes the assessed value-to-lien ratios within CFD No. 14 by value-to-lien range.

**TABLE 16
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS BY RANGES
CFD NO. 14**

Value-to-Lien Range	Number of Residential Units	Fiscal Year 2014-15 CFD No. 14 Levy	CFD No. 14 Outstanding Bond Amount^{(1)*}	Percent of Total CFD No. 14 Outstanding Bond Amount*	RUSD GO Outstanding Bond Amount⁽²⁾	City of Riverside GO Outstanding Bond Amount⁽²⁾	MWD GO Outstanding Bond Amount⁽²⁾	RCCD GO Outstanding Bond Amount⁽²⁾	Total Direct and Overlapping Debt*	Fiscal Year 2014-15 Assessed Value⁽³⁾	Percent of Total Fiscal Year 2014-15 Assessed Value*	Value-to-Lien Ratio*
0.00-4.99	0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.00%	NA
5.00-9.99	7	9,395	102,445	2.17	7,400	623	50	3,080	113,598	1,087,299	1.56	9.57
10.00-14.99	254	364,343	3,972,857	84.17	389,188	32,773	2,612	161,968	4,559,398	57,003,785	81.76	12.50
15.00-19.99	46	59,124	644,697	13.66	79,290	6,677	532	32,998	764,194	11,626,003	16.68	15.21
20.00 or Greater	0	0	0	0.00	0	0	0	0	0	0	0.00	NA
Total	307	\$ 432,862	\$ 4,720,000	100.00%	\$ 475,878	\$ 40,073	\$ 3,193	\$ 198,046	\$ 5,437,190	\$ 69,717,087	100.00%	12.82

* Preliminary, subject to change.

(1) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(2) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(3) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Sample Tax Bill. The following tables show the projected total effective tax rate for sample residential parcels in CFD No. 14, based on the average square footage of the homes located on such parcels and other characteristics described in the tables.

TABLE 17A
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 09-159
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥1,651 SF)
CFD NO. 14, TAX ZONE 1

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
Average Unit Size for Developed Property ⁽²⁾	1,747 Square Feet		
Average Lot Size for Developed Property ⁽³⁾	2,378 Square Feet		
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,171.07	
Metropolitan Water District G.O. Bonds	0.00350	7.60	
City of Riverside G.O. Bonds	0.00626	13.59	
Riverside Unified School District G.O. Bonds	0.05307	115.22	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>38.88</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,346.37	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 1.23	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		27.60	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 14, Tax Zone 1 ⁽¹¹⁾		<u>1,305.14</u>	<u>\$ 1,632.00</u>
Total Assessments and Parcel Charges		\$ 1,378.69	\$ 1,705.55
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 3,725.05</u>	<u>\$ 4,051.91</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.71577%	1.86632%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 85 Tax Class 1 units in CFD No. 14, Tax Zone 1 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 85 Tax Class 1 units in CFD No. 14, Tax Zone 1.

⁽³⁾ Based on the average lot size for 85 Tax Class 1 units in CFD No. 14, Tax Zone 1.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be 8.40 per benefit unit and the Fiscal Year 2016-17 rate will be 10.00 per benefit unit.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$27.60 per benefit unit for condominiums, apartments, and mobile homes. The rate does not increase.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.

⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 14, Tax Zone 1 Fiscal Year 2014-15 actual Special Tax rate of \$1,305.14 per unit for Tax Class 1 property. Assigned Special Tax rate is \$1,632.00 per unit for Tax Class 1 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 17B
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 09-159
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 2 (1,451-1,650 SF)
CFD NO. 14, TAX ZONE 1

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
Average Unit Size for Developed Property ⁽²⁾			
Average Lot Size for Developed Property ⁽³⁾			
<i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 1,958.00	
Metropolitan Water District G.O. Bonds	0.00350	6.85	
City of Riverside G.O. Bonds	0.00626	12.26	
Riverside Unified School District G.O. Bonds	0.05307	103.91	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>35.07</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,116.09	
<i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 1.26	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		27.60	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 14, Tax Zone 1 ⁽¹¹⁾		<u>1,236.36</u>	<u>\$ 1,546.00</u>
Total Assessments and Parcel Charges		\$ 1,309.94	\$ 1,619.58
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 3,426.03</u>	<u>\$ 3,735.67</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.74976%	1.90790%

- ⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 15 Tax Class 2 units in CFD No. 14, Tax Zone 1 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- ⁽²⁾ Based on the average unit size for 15 Tax Class 2 units in CFD No. 14, Tax Zone 1.
- ⁽³⁾ Based on the average lot size for 15 Tax Class 2 units in CFD No. 14, Tax Zone 1.
- ⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.
- ⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- ⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be 8.40 per benefit unit and the Fiscal Year 2016-17 rate will be 10.00 per benefit unit.
- ⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- ⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$27.60 per benefit unit for condominiums, apartments, and mobile homes. The rate does not increase.
- ⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.
- ⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.
- ⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 14, Tax Zone 1 Fiscal Year 2014-15 actual Special Tax rate of \$1,236.36 per unit for Tax Class 2 property. Assigned Special Tax rate is \$1,546.00 per unit for Tax Class 2 property. The Assigned Special Tax rate does not escalate.
- Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 17C
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 09-049, 09-159
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥ 2,601 SF)
CFD NO. 14, TAX ZONE 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
\$265,239			
Average Unit Size for Developed Property ⁽²⁾			
2,717 Square Feet			
Average Lot Size for Developed Property ⁽³⁾			
3,580 Square Feet			
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,652.39	
Metropolitan Water District G.O. Bonds	0.00350	9.28	
City of Riverside G.O. Bonds	0.00626	16.60	
Riverside Unified School District G.O. Bonds	0.05307	140.76	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>47.50</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,866.54	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 1.85	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		27.60	
City of Riverside Library Services ⁽⁹⁾		19.00	
Jurupa Parks & Recreation Maintenance ⁽¹⁰⁾		15.00	
Riverside Unified School District CFD No. 14, Tax Zone 2 ⁽¹¹⁾		<u>1,682.60</u>	<u>\$ 2,104.00</u>
Total Assessments and Parcel Charges		\$ 1,762.07	\$ 2,183.47
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 4,628.61</u>	 <u>\$ 5,050.01</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 1.74507%	 1.90395%

- ⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 46 Tax Class 1 units in CFD No. 14, Tax Zone 1 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- ⁽²⁾ Based on the average unit size for 46 Tax Class 1 units in CFD No. 14, Tax Zone 2.
- ⁽³⁾ Based on the average lot size for 46 Tax Class 1 units in CFD No. 14, Tax Zone 2.
- ⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.
- ⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- ⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be 8.40 per benefit unit and the Fiscal Year 2016-17 rate will be 10.00 per benefit unit.
- ⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- ⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$27.60 per benefit unit for condominiums, apartments, and mobile homes. The rate does not increase.
- ⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.
- ⁽¹⁰⁾ Parcels in CFD No. 14, Tax Zone 2 receive either the NW Mosquito & Vector charge of \$9.70 per parcel (TRA 09-159) or the Jurupa Parks & Recreation Maintenance Charge of \$15.00 per parcel (TRA 09-049). For purposes of this analysis, the higher of the two charges is shown. Amount for the NW Mosquito & Vector charge escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%. The rate for the Jurupa Parks & Recreation Maintenance Charge does not increase.
- ⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 14, Tax Zone 2 Fiscal Year 2014-15 actual Special Tax rate of \$1,682.60 per unit for Tax Class 1 property. Assigned Special Tax rate is \$2,104.00 per unit for Tax Class 1 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 17D
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 09-049, 09-159
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 3 (≥ 2,250 SF)
CFD NO. 14, TAX ZONE 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
\$238,450			
Average Unit Size for Developed Property ⁽²⁾			
1,903 Square Feet			
Average Lot Size for Developed Property ⁽³⁾			
3,693 Square Feet			
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,384.50	
Metropolitan Water District G.O. Bonds	0.00350	8.35	
City of Riverside G.O. Bonds	0.00626	14.93	
Riverside Unified School District G.O. Bonds	0.05307	126.55	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>42.71</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,577.02	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 1.91	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		27.60	
City of Riverside Library Services ⁽⁹⁾		19.00	
Jurupa Parks & Recreation Maintenance ⁽¹⁰⁾		15.00	
Riverside Unified School District CFD No. 14, Tax Zone 2 ⁽¹¹⁾		<u>1,414.70</u>	<u>\$ 1,769.00</u>
Total Assessments and Parcel Charges		\$ 1,494.23	\$ 1,848.53
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 4,071.25</u>	<u>\$ 4,425.55</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.70738%	1.85597%

- ⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 67 Tax Class 3 units in CFD No. 14, Tax Zone 1 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- ⁽²⁾ Based on the average unit size for 67 Tax Class 3 units in CFD No. 14, Tax Zone 2.
- ⁽³⁾ Based on the average lot size for 67 Tax Class 3 units in CFD No. 14, Tax Zone 2.
- ⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.
- ⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- ⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be 8.40 per benefit unit and the Fiscal Year 2016-17 rate will be 10.00 per benefit unit.
- ⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- ⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$27.60 per benefit unit for condominiums, apartments, and mobile homes. The rate does not increase.
- ⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.
- ⁽¹⁰⁾ Parcels in CFD No. 14, Tax Zone 2 receive either the NW Mosquito & Vector charge of \$9.70 per parcel (TRA 09-159) or the Jurupa Parks & Recreation Maintenance Charge of \$15.00 per parcel (TRA 09-049). For purposes of this analysis, the higher of the two charges is shown. Amount for the NW Mosquito & Vector charge escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%. The rate for the Jurupa Parks & Recreation Maintenance Charge does not increase.
- ⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 14, Tax Zone 2 Fiscal Year 2014-15 actual Special Tax rate of \$1,414.70 per unit for Tax Class 3 property. Assigned Special Tax rate is \$1,769.00 per unit for Tax Class 3 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in CFD No. 14 for Fiscal Year 2009-10 through Fiscal Year 2013-14.

TABLE 18
SPECIAL TAX DELINQUENCY HISTORY
FISCAL YEARS 2009-10 THROUGH 2013-14
CFD NO. 14

<i>Fiscal Year</i>	<i>Total Amount Levied</i>	<i>Total Number of Parcels Levied</i>	<i>Total Delinquent Special Taxes at Fiscal Year End⁽¹⁾</i>	<i>Delinquency Rate at Fiscal Year End</i>	<i>Total Number of Parcels Delinquent as of 11/3/2014</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
2009-10	\$534,397	307	\$37,381	7.00%	0	\$ 0	0.00%
2010-11	480,960	307	21,517	4.47	1	1,450	0.30
2011-12	432,862	307	5,708	1.32	1	1,305	0.30
2012-13	432,862	307	8,637	2.00	2	2,988	0.69
2013-14	432,862	307	7,950	1.84	1	1,305	0.30

⁽¹⁾ Amount delinquent as of June 30 of the fiscal year in which special taxes were levied.
Source: David Taussig & Associates, Inc.

**INSERT AREA MAP FOR
CFD NO. 15
IMPROVEMENT AREA 2**

CFD NO. 15 AND IMPROVEMENT AREA 2

Location and Description. CFD No. 15 and Improvement Area 2 therein was formed by the School District in April 2004 to finance various public improvements needed to develop property located within CFD No. 15. CFD No. 15 Improvement Area 2 is located in the southwestern part of the City of Riverside. CFD No. 15 Improvement Area 2 includes 403 taxable parcels and consists of approximately 129.2 acres. CFD No. 15 Improvement Area 2 is completely built out with 403 completed single family detached homes which have been conveyed to individual homeowners.

Assigned Special Taxes. The following table shows the Assigned Special Taxes and the actual Special Taxes that were levied on parcels of property in CFD No. 15 Improvement Area 2 for Fiscal Year 2014-15 and the percentages of the total Special Tax levy. The final maturity of the CFD No. 15-2 Bonds is September 1, 2035.

**TABLE 19
FISCAL YEAR 2014-15 ASSIGNED AND ACTUAL SPECIAL TAXES
CFD NO. 15, IMPROVEMENT AREA NO. 2**

<i>Property Classification/ Tax Class⁽¹⁾</i>	<i>Number of Units/Acres</i>	<i>Fiscal Year 2014-15 Assigned Special Tax per Unit/Acre</i>	<i>Total Fiscal Year 2014-15 Assigned Special Tax</i>	<i>Fiscal Year 2014-15 Actual Special Tax per Unit/Acre</i>	<i>Fiscal Year 2014-15 Levy</i>	<i>Percent of Maximum Special Tax</i>
Developed Property						
Tax Class 1 (SFD > 3,700 SF)	92 Units	\$ 4,289.00	\$ 394,588.00	\$ 3,667.10	\$ 337,373.20	85.50%
Tax Class 2 (SFD 3,401 - 3,700 SF)	51 Units	4,194.00	213,894.00	3,585.88	182,879.88	85.50
Tax Class 3 (SFD 3,101 - 3,400 SF)	117 Units	3,665.00	428,805.00	3,133.58	366,628.86	85.50
Tax Class 4 (SFD 2,801 - 3,100 SF)	48 Units	3,484.00	167,232.00	2,978.82	142,983.36	85.50
Tax Class 5 (SFD 2,501 - 2,800 SF)	65 Units	3,405.00	221,325.00	2,911.28	189,233.20	85.50
Tax Class 6 (SFD ≤ 2,500 SF)	30 Units	3,247.00	97,410.00	2,776.20	83,286.00	85.50
Total	403 Units	NA	\$ 1,523,254.00	NA	\$ 1,302,384.50	85.50%

⁽¹⁾ Classification pursuant to the Rate and Method of Apportionment.
Source: David Taussig & Associates, Inc.

For the complete text of the CFD No. 15 Improvement Area 2 Rate and Method, see APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

Estimated Direct and Overlapping Indebtedness. Within the boundaries of CFD No. 15 Improvement Area 2 are numerous overlapping local agencies providing public services. The only outstanding debt secured by a special tax or assessment on the parcels within CFD No. 15 Improvement Area 2 is the Community Facilities District No. 15 (Mission Ranch) of Riverside Unified School District 2005 Special Tax Bonds, Series A (Improvement Area No. 2) (the “Prior CFD No. 15-2 Bonds”). However, Table 20 below does not include the Prior CFD No. 15-2 Bonds and instead includes the \$14,715,000* aggregate principal amount of the Community Facilities District No. 15 (Mission Ranch) of Riverside Unified School District, 2015 Special Tax Refunding Bonds (the “CFD No. 15 Bonds”) being issued to refund the Prior CFD No. 15-2 Bonds. In addition, there is \$1,667,420 outstanding principal amount of general obligation bonds allocable to CFD No. 15 Improvement Area 2 based on the current assessed value of CFD No. 15 Improvement Area 2 relative to the current assessed value within the boundaries of the applicable taxing jurisdiction issuing the general obligation bonds.

* Preliminary, subject to change.

**TABLE 20
DIRECT AND OVERLAPPING DEBT SUMMARY
AS OF SEPTEMBER 2, 2014
CFD NO. 15, IMPROVEMENT AREA NO. 2**

<i>Overlapping District</i>	<i>Actual Fiscal Year 2014-15 Total Levy</i>	<i>Amount of Levy on Parcels in District</i>	<i>Percent on Levy on Parcels in District</i>	<i>Total Debt Outstanding⁽¹⁾</i>	<i>District Share of Total Debt Outstanding</i>
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$77,928 ⁽²⁾	0.7331%	\$138,110,000	\$ 1,012,438
City of Riverside G.O. Bonds	1,444,251	9,192 ⁽²⁾	0.6365	13,395,000	85,255
Metropolitan Water District G.O. Bonds	100,066,262	5,139 ⁽²⁾	0.0051	132,275,000	6,794
Riverside City Community College G.O. Bonds	14,174,770	26,299 ⁽²⁾	0.1855	227,097,323 ⁽³⁾	421,345
WRCOG HERO Program ⁽⁴⁾	NA	15,257	NA	141,588	<u>141,588⁽⁵⁾</u>
				Estimated Share of Overlapping Debt Allocable to the District	\$ 1,667,420
				Plus the Series 2014 Refunding CFD No. 15, IA No. 2 Bonds	<u>\$ 14,715,000*</u>
				Estimated Share of Direct and Overlapping Debt Allocable to the District	<u>\$ 16,382,420*</u>

* Preliminary, subject to change.

(1) As of September 2, 2014. Principal for City of Riverside GO Bonds and Community College Bonds is made on August 1 of each year. Principal for MWD GO Bonds is made on March 1 of each year. All other districts pay principal on September 1 of each year.

(2) Estimated Fiscal Year 2014-15 levy. Calculated by multiplying the Fiscal Year 2014-15 *ad valorem* rate by the Fiscal Year 2014-15 net assessed value.

(3) Includes 2014 GO Refunding Bonds, Series A & B, issued May 29, 2014.

(4) The WRCOG HERO Program is a Property Assessed Clean Energy (PACE) program under AB 811. Participating property owners enter into a contractual assessment with WRCOG to finance energy efficiency, renewable energy, and water conservation improvements on their property. Bonds are issued, and the assessments are paid back over time through an annual assessment on the property tax bill.

(5) Includes outstanding assessment lien for five parcels in CFD 15 IA No. 2.

Source: David Taussig & Associates, Inc.

Value-to-Lien Ratios. The total assessed values of all of the taxable property in CFD No. 15 Improvement Area 2, as determined by the County Assessor for Fiscal Year 2014-15, is \$148,448,235. The direct and overlapping land secured special tax, assessment and general obligation bonded indebtedness within CFD No. 15 Improvement Area 2 as of September 2, 2014 was approximately \$16,382,420*. The assessed value-to-lien ratio of the property within CFD No. 15 Improvement Area 2, based on the Fiscal Year 2014-15 assessed values, the aggregate principal amount of the CFD No. 15-2 Bonds and the estimated direct and overlapping land secured special tax, and assessment and general obligation bonded indebtedness within CFD No. 15 Improvement Area 2 is approximately 9.06-to-1*. The following table summarizes the assessed value-to-lien ratios within CFD No. 15 Improvement Area 2 by owner.

* Preliminary, subject to change.

TABLE 21
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS
CFD NO. 15, IMPROVEMENT AREA NO. 2

<i>Owner⁽¹⁾</i>	<i>Fiscal Year 2014-15 CFD No. 15, IA No. 2 Levy</i>	<i>Percent of Total Levy</i>	<i>Number of Parcels</i>	<i>CFD No. 15, IA No. 2 Outstanding Bond Amount^{(2)*}</i>	<i>RUSD GO Outstanding Bond Amount⁽³⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽³⁾</i>	<i>MWD GO Outstanding Bond Amount⁽³⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽³⁾</i>	<i>WRCOG HERO Program Outstanding Bond Amount⁽⁴⁾</i>	<i>Total Direct and Overlapping Debt[*]</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁵⁾</i>	<i>Value- to-Lien Ratio[*]</i>
Individual Owners	\$ 1,302,385	100.00%	403	\$ 14,715,000	\$ 1,012,438	\$ 85,255	\$ 6,794	\$ 421,345	\$ 141,588	\$ 16,382,420	\$ 148,448,235	9.06

* Preliminary, subject to change.

(1) Based on ownership as of January 1, 2014 provided by the Riverside County Assessor.

(2) \ Allocated based on share of Fiscal Year 2014-15 special tax levy.

(3) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(4) The WRCOG HERO Program is a Property Assessed Clean Energy (PACE) program under AB 811. Participating property owners enter into a contractual assessment with WRCOG to finance energy efficiency, renewable energy, and water conservation improvements on their property. Bonds are issued, and the assessments are paid back over time through an annual assessment on the property tax bill.

(5) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Value-to-lien Ratios by Range. The following table summarizes the assessed value-to-lien ratios within CFD No. 15 Improvement Area 2 by value-to-lien range.

**TABLE 22
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS BY RANGES
CFD NO. 15, IMPROVEMENT AREA NO. 2**

<i>Value-to-Lien Range</i>	<i>Number of Residential Units</i>	<i>Fiscal Year 2014-15 CFD No. 15, IA No. 2 Levy</i>	<i>CFD No. 15, IA No. 2 Outstanding Bond Amount^{(1)*}</i>	<i>Percent of Total CFD No. 15, IA No. 2 Outstanding Bond Amount[*]</i>	<i>RUSD GO Outstanding Bond Amount⁽²⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽²⁾</i>	<i>MWD GO Outstanding Bond Amount⁽²⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽²⁾</i>	<i>WRCOG HERO Program Outstanding Bond Amount⁽³⁾</i>	<i>Total Direct and Overlapping Debt[*]</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁴⁾</i>	<i>Percent of Total Fiscal Year 2014-15 Assessed Value[*]</i>	<i>Value-to-Lien Ratio[*]</i>
0.00-4.99	3 ⁽⁵⁾	\$ 9,024	\$ 101,954	0.69%	\$ 5,970	\$ 503	\$ 40	\$ 2,485	\$ 76,090	\$ 187,042	\$ 886,912	0.60%	4.74
5.00-9.99	307	977,290	11,041,917	75.04	718,653	60,516	4,822	299,081	65,498	12,190,488	105,523,693	71.08	8.66
10.00-14.99	93	316,071	3,571,129	24.27	287,814	24,236	1,931	119,779	0	4,004,890	42,037,630	28.32	10.50
15.00-19.99	0	0	0	0.00	0	0	0	0	0	0	0	0.00	NA
20.00 or Greater	0	0	0	0.00	0	0	0	0	0	0	0	0.00	NA
Total	403	\$ 1,302,385	\$ 14,715,000	100.00%	\$ 1,012,438	\$ 85,255	\$ 6,794	\$ 421,345	\$ 141,588	\$ 16,382,420	\$ 148,448,235	100.00%	9.06

* Preliminary, subject to change.

(1) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(2) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(3) The WRCOG HERO Program is a Property Assessed Clean Energy (PACE) program under AB 811. Participating property owners enter into a contractual assessment with WRCOG to finance energy efficiency, renewable energy, and water conservation improvements on their property. Bonds are issued, and the assessments are paid back over time through an annual assessment on the property tax bill.

(4) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

(5) Based on discussions with the Riverside County Assessor's Office, one parcel has reduced assessed value due to a change in ownership in 2009. Two parcels have outstanding assessment lien amounts for the WRCOG HERO Program.

Source: David Taussig & Associates, Inc.

Sample Tax. The following tables show the projected total effective tax rate for sample residential parcels in CFD No. 15 Improvement Area 2, based on the average square footage of the homes located on such parcels and other characteristics described in the tables.

TABLE 23A
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 09-150, 09-162
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 3 (3,101-3,400 SF)
CFD NO. 15, IMPROVEMENT AREA NO. 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾		\$356,905	
Average Unit Size for Developed Property ⁽²⁾		3,241 Square Feet	
Average Lot Size for Developed Property ⁽³⁾		9,844 Square Feet	
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 3,569.05	
Metropolitan Water District G.O. Bonds	0.00350	12.49	
City of Riverside G.O. Bonds	0.00626	22.34	
Riverside Unified School District G.O. Bonds	0.05307	189.41	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>63.92</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 3,857.22	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.77	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		31.44	
City of Riverside Library Services ⁽⁹⁾		19.00	
Riverside Unified School District CFD No. 15, IA No. 2 ⁽¹⁰⁾		<u>3,133.58</u>	<u>\$ 3,665.00</u>
Total Assessments and Parcel Charges		\$ 3,203.81	\$ 3,735.23
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 7,061.03</u>	<u>\$ 7,592.45</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.97840%	2.12730%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 117 Tax Class 3 units in CFD No. 15, IA No. 2 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 117 Tax Class 3 units in CFD No. 15, IA No. 2.

⁽³⁾ Based on the average lot size for 117 Tax Class 3 units in CFD No. 15, IA No. 2.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be 8.40 per benefit unit and the Fiscal Year 2016-17 rate will be 10.00 per benefit unit.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$31.44 per benefit unit. The rate does not increase.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

⁽¹⁰⁾ Based on the Riverside Unified School District CFD No. 15, IA No. 2 Fiscal Year 2014-15 actual Special Tax rate of \$3,133.58 per unit for Tax Class 3 property. Assigned Special Tax rate is \$3,665.00 per unit for Tax Class 3 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates.

TABLE 23B
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 88-092, 88-095
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 5 (2,501-2,800 SF)
CFD NO. 15, IMPROVEMENT AREA NO. 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾		\$373,000	
NET ASSESSED VALUE ⁽¹⁾		\$366,000	
Unit Size ⁽²⁾		2,619 Square Feet	
Lot Size ⁽³⁾		12,197 Square Feet	
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 3,660.00	
Metropolitan Water District G.O. Bonds	0.00350	12.81	
City of Riverside G.O. Bonds	0.00626	22.91	
Riverside Unified School District G.O. Bonds	0.05307	194.24	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>65.55</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 3,955.51	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.78	
County Service Area 152 – Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		31.44	
City of Riverside Library Services ⁽⁹⁾		19.00	
WRCOG HERO Funded Fiscal Year 2013-14 ⁽¹⁰⁾		4,356.52	
Riverside Unified School District CFD No. 15, IA No. 2 ⁽¹¹⁾		<u>2,911.28</u>	<u>\$ 3,405.00</u>
Total Assessments and Parcel Charges		\$ 7,338.04	\$ 7,831.76
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 11,293.55</u>	 <u>\$ 11,787.27</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 3.02776%	 3.16013%

- (1) Based on assessed values for unit with highest WRCOG HERO PACE assessment in CFD No. 15, IA No. 2 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- (2) Based on actual unit size.
- (3) Based on actual lot size.
- (4) Actual Fiscal Year 2014-15 *ad valorem* rates.
- (5) Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- (6) Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be 8.40 per benefit unit and the Fiscal Year 2016-17 rate will be 10.00 per benefit unit.
- (7) Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- (8) Based on the Fiscal Year 2014-15 rate of \$31.44 per benefit unit. The rate does not increase.
- (9) Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.
- (10) Based on administrative expenses, principal and interest due on outstanding lien on March 1, 2015 and September 1, 2015.
- (11) Based on the Riverside Unified School District CFD No. 15, IA No. 2 Fiscal Year 2014-15 actual Special Tax rate of \$2,911.28 per unit for Tax Class 5 property. Assigned Special Tax rate is \$3,405.00 per unit for Tax Class 5 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates.

TABLE 23C
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 09-150, 09-162
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 6 (≤2,500 SF)
CFD NO. 15, IMPROVEMENT AREA NO. 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾		\$298,528	
Average Unit Size for Developed Property ⁽²⁾		2,093 Square Feet	
Average Lot Size for Developed Property ⁽³⁾		8,959 Square Feet	
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,985.28	
Metropolitan Water District G.O. Bonds	0.00350	10.45	
City of Riverside G.O. Bonds	0.00626	18.69	
Riverside Unified School District G.O. Bonds	0.05307	158.43	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>53.47</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 3,226.31	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.76	
County Service Area 152 – Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		31.44	
City of Riverside Library Services ⁽⁹⁾		19.00	
Riverside Unified School District CFD No. 15, IA No. 2 ⁽¹⁰⁾		<u>2,776.20</u>	<u>\$ 3,247.00</u>
Total Assessments and Parcel Charges		\$ 2,846.42	\$ 3,317.22
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 6,072.73</u>	<u>\$ 6,543.53</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		2.03423%	2.19193%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 30 Tax Class 6 units in CFD No. 15, IA No. 2 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 30 Tax Class 6 units in CFD No. 15, IA No. 2.

⁽³⁾ Based on the average lot size for 30 Tax Class 6 units in CFD No. 15, IA No. 2.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be 8.40 per benefit unit and the Fiscal Year 2016-17 rate will be 10.00 per benefit unit.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$31.44 per benefit unit. The rate does not increase.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

⁽¹⁰⁾ Based on the Riverside Unified School District CFD No. 15, IA No. 2 Fiscal Year 2014-15 actual Special Tax rate of \$2,776.20 per unit for Tax Class 6 property. Assigned Special Tax rate is \$3,247.00 per unit for Tax Class 6 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in CFD No. 15 Improvement Area 2 for Fiscal Year 2009-10 through Fiscal Year 2013-14.

**TABLE 24
SPECIAL TAX DELINQUENCY HISTORY
FISCAL YEARS 2009-10 THROUGH 2013-14
CFD NO. 15, IMPROVEMENT AREA NO. 2**

<i>Fiscal Year</i>	<i>Total Amount Levied</i>	<i>Total Number of Parcels Levied</i>	<i>Total Delinquent Special Taxes at Fiscal Year End⁽¹⁾</i>	<i>Delinquency Rate at Fiscal Year End</i>	<i>Total Number of Parcels Delinquent as of 11/3/2014</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
2009-10	\$1,523,254	403	\$100,058	6.57%	1	\$ 1,833 ⁽²⁾	0.12%
2010-11	1,447,094	403	58,818	4.06	2	6,964 ⁽³⁾	0.48
2011-12	1,302,385	403	30,578	2.35	2	6,267 ⁽³⁾	0.48
2012-13	1,302,385	403	39,286	3.02	3	9,853 ⁽³⁾	0.76
2013-14	1,302,385	403	16,499	1.27	3	9,853 ⁽³⁾	0.76

⁽¹⁾ Amount delinquent as of June 30 of the fiscal year in which special taxes were levied.

⁽²⁾ Includes delinquent amount for one parcel in CFD No. 15, IA No. 2 currently under foreclosure.

⁽³⁾ Includes delinquent amounts for two parcels in CFD No. 15, IA No. 2 currently under foreclosure.

Source: David Taussig & Associates, Inc.

**INSERT AREA MAP FOR
CFD NO. 17**

CFD NO. 17

Location and Description. CFD No. 17 was formed by the School District in August 2004 to finance various public improvements needed to develop property located within CFD No. 17. CFD No. 17 consists of approximately 16.8 acres in an area known as Mockingbird Canyon and is located approximately 5 miles southwest of the downtown area of the City of Riverside. CFD No. 17 includes 110 taxable parcels. CFD No. 17 is completely built out with 110 completed single family detached homes which have been conveyed to individual homeowners.

Assigned Special Taxes. The following table shows the Assigned Special Taxes and the actual Special Taxes that were levied on parcels of property in CFD No. 17 for Fiscal Year 2014-15 and the percentages of the total Special Tax levy. The final maturity of the CFD No. 17 Bonds is September 1, 2035.

**TABLE 25
FISCAL YEAR 2014-15 ASSIGNED AND ACTUAL SPECIAL TAXES
CFD NO. 17**

<i>Property Classification/ Tax Class⁽¹⁾</i>	<i>Number of Units/Acres</i>	<i>Fiscal Year 2014-15 Assigned Special Tax per Unit/Acre⁽²⁾</i>	<i>Total Fiscal Year 2014-15 Assigned Special Tax</i>	<i>Fiscal Year 2014-15 Actual Special Tax per Unit/Acre</i>	<i>Fiscal Year 2014-15 Levy</i>	<i>Percent of Maximum Special Tax</i>
Developed Property						
Tax Class 1 (SFD ≥ 2,000 SF)	58 Units	\$ 2,267.02	\$ 131,487.16	\$ 1,689.64	\$ 97,999.12	74.53%
Tax Class 2 (SFD 1,500 - 1,999 SF)	40 Units	1,993.42	79,736.80	1,485.72	59,428.80	74.53
Tax Class 3 (SFD < 1,500 SF)	<u>12 Units</u>	<u>1,719.82</u>	<u>20,637.84</u>	<u>1,281.80</u>	<u>15,381.60</u>	<u>74.53</u>
Total	110 Units	NA	\$ 231,861.80	NA	\$ 172,809.52	74.53%

⁽¹⁾ Classification pursuant to the Rate and Method of Apportionment.

⁽²⁾ The Assigned Special Tax rates increase by 2.00% per year.

Source: David Taussig & Associates, Inc.

For the complete text of the CFD No. 17 Rate and Method, see APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

Estimated Direct and Overlapping Indebtedness. Within the boundaries of CFD No. 17 are numerous overlapping local agencies providing public services. The only outstanding debt secured by a special tax or assessment on the parcels within CFD No. 17 is the Community Facilities District No. 17 (Aldea Village) of Riverside Unified School District 2005 Special Tax Bonds (the “Prior CFD No. 17 Bonds”). However, Table 26 below does not include the Prior CFD No. 17 Bonds and instead includes the \$2,330,000* aggregate principal amount of the Community Facilities District No. 17 of Riverside Unified School District, 2015 Special Tax Refunding Bonds (the “CFD No. 17 Bonds”) being issued to refund the Prior CFD No. 17 Bonds. In addition, there is \$246,295 outstanding principal amount of general obligation bonds allocable to CFD No. 17 based on the current assessed value of CFD No. 17 relative to the current assessed value within the boundaries of the applicable taxing jurisdiction issuing the general obligation bonds.

* Preliminary, subject to change.

**TABLE 26
DIRECT AND OVERLAPPING DEBT SUMMARY
AS OF SEPTEMBER 2, 2014
CFD NO. 17**

<i>Overlapping District</i>	<i>Actual Fiscal Year 2014-15 Total Levy</i>	<i>Amount of Levy on Parcels in District</i>	<i>Percent on Levy on Parcels in District</i>	<i>Total Debt Outstanding⁽¹⁾</i>	<i>District Share of Total Debt Outstanding</i>
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$12,579 ⁽²⁾	0.1183%	\$138,110,000	\$ 163,425
City of Riverside G.O. Bonds	1,444,251	1,484 ⁽²⁾	0.1027	13,395,000	13,762
Metropolitan Water District G.O. Bonds	100,066,262	830 ⁽²⁾	0.0008	132,275,000	1,097
Riverside City Community College G.O. Bonds	14,174,770	4,245 ⁽²⁾	0.0299	227,097,323 ⁽³⁾	<u>68,012</u>
				Estimated Share of Overlapping Debt Allocable to the District	\$ 246,295
				Plus the Series 2014 Refunding CFD No. 17 Bonds	<u>\$ 2,330,000*</u>
				Estimated Share of Direct and Overlapping Debt Allocable to the District	\$ 2,576,295*

* Preliminary, subject to change.

(1) As of September 2, 2014. Principal for City of Riverside GO Bonds and Community College Bonds is made on August 1 of each year. Principal for MWD GO Bonds is made on March 1 of each year. All other districts pay principal on September 1 of each year.

(2) Estimated Fiscal Year 2014-15 levy. Calculated by multiplying the Fiscal Year 2014-15 *ad valorem* rate by the Fiscal Year 2014-15 net assessed value.

(3) Includes 2014 GO Refunding Bonds, Series A & B, issued May 29, 2014.

Source: David Taussig & Associates, Inc.

Value-to-Lien Ratios. The total assessed values of all of the taxable property in CFD No. 17, as determined by the County Assessor for Fiscal Year 2014-15, is \$23,940,620. The direct and overlapping land secured special tax, assessment and general obligation bonded indebtedness within CFD No. 17 as of September 2, 2014 was approximately \$2,576,295*. The assessed value-to-lien ratio of the property within CFD No. 17, based on the Fiscal Year 2014-15 assessed values, the aggregate principal amount of the CFD No. 17 Bonds and the estimated direct and overlapping land secured special tax, and assessment and general obligation bonded indebtedness within CFD No. 17 is approximately 9.29-to-1*. The following table summarizes the assessed value-to-lien ratios within CFD No. 17 by owner.

* Preliminary, subject to change.

**TABLE 27
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS
CFD NO. 17**

<i>Owner⁽¹⁾</i>	<i>Fiscal Year 2014-15 CFD No. 17 Levy</i>	<i>Percent of Total Levy</i>	<i>Number of Parcels</i>	<i>CFD No. 17 Outstanding Bond Amount^{(2)*}</i>	<i>RUSD GO Outstanding Bond Amount⁽³⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽³⁾</i>	<i>MWD GO Outstanding Bond Amount⁽³⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽³⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁴⁾</i>	<i>Value- to-Lien Ratio*</i>
Individual Owners	\$ 172,810	100.00%	110	\$2,330,000	\$ 163,425	\$ 13,762	\$ 1,097	\$ 68,012	\$ 2,576,295	\$ 23,940,620	9.29

* Preliminary, subject to change.

(1) Based on ownership as of January 1, 2014 provided by the Riverside County Assessor.

(2) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(3) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(4) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Value-to-lien Ratios by Range. The following table summarizes the assessed value-to-lien ratios within CFD No. 17 by value-to-lien range.

**TABLE 28
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS BY RANGES
CFD NO. 17**

<i>Value-to-Lien Range</i>	<i>Number of Residential Units</i>	<i>Fiscal Year 2014-15 CFD No. 17 Levy</i>	<i>CFD No. 17 Outstanding Bond Amount^{(1)*}</i>	<i>Percent of Total CFD No. 17 Outstanding Bond Amount*</i>	<i>RUSD GO Outstanding Bond Amount⁽²⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽²⁾</i>	<i>MWD GO Outstanding Bond Amount⁽²⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽²⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽³⁾</i>	<i>Percent of Total Fiscal Year 2014-15 Assessed Value*</i>	<i>Value-to-Lien Ratio*</i>
0.00-4.99	0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.00%	NA
5.00-9.99	68	107,758	1,452,911	62.36	89,509	7,537	601	37,251	1,587,809	13,087,086	54.66	8.24
10.00-14.99	42	65,051	877,089	37.64	73,916	6,224	496	30,762	988,487	10,853,534	45.34	10.98
15.00-19.99	0	0	0	0.00	0	0	0	0	0	0	0.00	NA
20.00 or Greater	0	0	0	0.00	0	0	0	0	0	0	0.00	NA
Total	110	\$ 172,810	\$ 2,330,000	100.00%	\$ 163,425	\$ 13,762	\$ 1,097	\$ 68,012	\$ 2,576,295	\$ 23,940,620	100.00%	9.29

* Preliminary, subject to change.

(1) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(2) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(3) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Sample Tax Bill. The following table shows the projected total effective tax rate for sample residential parcels in CFD No. 17, based on the average square footage of the homes located on such parcels and other characteristics described in the table.

TABLE 29
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 09-158
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥2,000 SF)
CFD NO. 17

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾		\$232,466	
Average Unit Size for Developed Property ⁽²⁾	2,173 Square Feet		
Average Lot Size for Developed Property ⁽³⁾	3,530 Square Feet		
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,324.66	
Metropolitan Water District G.O. Bonds	0.00350	8.14	
City of Riverside G.O. Bonds	0.00626	14.55	
Riverside Unified School District G.O. Bonds	0.05307	123.37	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>41.63</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,512.36	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 1.82	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		31.44	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 17 ⁽¹¹⁾		<u>1,689.64</u>	<u>\$ 2,267.02</u>
Total Assessments and Parcel Charges		\$ 1,767.62	\$ 2,345.00
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 4,279.98</u>	<u>\$ 4,857.36</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.84112%	2.08949%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 58 Tax Class 1 units in CFD No. 17, as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 58 Tax Class 1 units in CFD No. 17.

⁽³⁾ Based on the average lot size for 58 Tax Class 1 units in CFD No. 17.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit, and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$31.44 per benefit unit. The rate does not increase.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.

⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 17 Fiscal Year 2014-15 actual Special Tax rate of \$1,689.64 per unit for Tax Class 1 property. Assigned Special Tax rate is \$2,267.02 per unit for Tax Class 1 property. The Assigned Special Tax rate escalates annually by 2%.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in CFD No. 17 for Fiscal Year 2009-10 through Fiscal Year 2013-14.

TABLE 30
SPECIAL TAX DELINQUENCY HISTORY
FISCAL YEARS 2009-10 THROUGH 2013-14
CFD NO. 17

<i>Fiscal Year</i>	<i>Total Amount Levied</i>	<i>Total Number of Parcels Levied</i>	<i>Total Delinquent Special Taxes at Fiscal Year End⁽¹⁾</i>	<i>Delinquency Rate at Fiscal Year End</i>	<i>Total Number of Parcels Delinquent as of 11/3/2014</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
2009-10	\$180,677	110	\$8,193	4.53%	1	\$ 1,553 ⁽²⁾	0.86%
2010-11	171,642	110	4,427	2.58	1	1,476 ⁽²⁾	0.86
2011-12	163,060	110	6,501	3.99	2	2,103 ⁽²⁾	1.29
2012-13	163,060	110	4,302	2.64	1	1,402 ⁽²⁾	0.86
2013-14	166,321	110	3,673	2.21	0	0	0.00

⁽¹⁾ Amount delinquent as of June 30 of the fiscal year in which special taxes were levied.

⁽²⁾ Includes delinquent amount for one parcel in CFD No. 17 currently under foreclosure.

Source: David Taussig & Associates, Inc.

**INSERT AREA MAP FOR
CFD NO. 18**

CFD NO. 18

Location and Description. CFD No. 18 was formed by the School District in April 2004 to finance various public improvements needed to develop property located within CFD No. 18. CFD No. 18 consists of approximately 160 acres in an area known as Mockingbird Canyon and is located approximately 5 miles southwest of the downtown area of the City of Riverside. CFD No. 18 includes 72 taxable parcels. CFD No. 18 is completely built out with 72 completed single family detached homes which have been conveyed to individual homeowners.

Assigned Special Taxes. The following table shows the Assigned Special Taxes and the actual Special Taxes that were levied on parcels of property in CFD No. 18 for Fiscal Year 2014-15 and the percentages of the total Special Tax levy. The final maturity of the CFD No. 18 Bonds is September 1, 2034.

**TABLE 31
FISCAL YEAR 2014-15 ASSIGNED AND ACTUAL SPECIAL TAXES
CFD NO. 18**

<i>Property Classification/ Tax Class⁽¹⁾</i>	<i>Number of Units/Acres</i>	<i>Fiscal Year 2014-15 Assigned Special Tax per Unit/Acre</i>	<i>Total Fiscal Year 2014-15 Assigned Special Tax</i>	<i>Fiscal Year 2014-15 Actual Special Tax per Unit/Acre</i>	<i>Fiscal Year 2014-15 Levy</i>	<i>Percent of Maximum Special Tax</i>
Developed Property						
Tax Class 1 (SFD ≥ 4,150 SF)	7 Units	\$ 3,925.00	\$ 27,475.00	\$ 3,036.96	\$ 21,258.72	77.37%
Tax Class 2 (SFD 3,900 - 4,149 SF)	37 Units	3,703.00	137,011.00	2,865.20	106,012.40	77.37
Tax Class 3 (SFD < 3,900 SF)	<u>28 Units</u>	<u>3,407.00</u>	<u>95,396.00</u>	<u>2,636.16</u>	<u>73,812.48</u>	<u>77.37</u>
Total	72 Units	NA	\$ 259,882.00	NA	\$ 201,083.60	77.37%

⁽¹⁾ Classification pursuant to the Rate and Method of Apportionment.
Source: David Taussig & Associates, Inc.

For the complete text of the CFD No. 18 Rate and Method, see APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

Estimated Direct and Overlapping Indebtedness. Within the boundaries of CFD No. 18 are numerous overlapping local agencies providing public services. The only outstanding debt secured by a special tax or assessment on the parcels within CFD No. 18 is the Community Facilities District No. 18 of Riverside Unified School District 2005 Special Tax Bonds (the “Prior CFD No. 18 Bonds”). However, Table 32 below does not include the Prior CFD No. 18 Bonds and instead includes the \$2,165,000* aggregate principal amount of the Community Facilities District No. 18 of Riverside Unified School District, 2015 Special Tax Refunding Bonds (the “CFD No. 18 Bonds”) being issued to refund the Prior CFD No. 18 Bonds. In addition, there is \$537,834 outstanding principal amount of general obligation bonds allocable to CFD No. 18 based on the current assessed value of CFD No. 18 relative to the current assessed value within the boundaries of the applicable taxing jurisdiction issuing the general obligation bonds.

* Preliminary, subject to change.

**TABLE 32
DIRECT AND OVERLAPPING DEBT SUMMARY
AS OF SEPTEMBER 2, 2014
CFD NO. 18**

<i>Overlapping District</i>	<i>Actual Fiscal Year 2014-15 Total Levy</i>	<i>Amount of Levy on Parcels in District</i>	<i>Percent on Levy on Parcels in District</i>	<i>Total Debt Outstanding⁽¹⁾</i>	<i>District Share of Total Debt Outstanding</i>
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$27,469 ⁽²⁾	0.2584%	\$138,110,000	\$ 356,870
City of Riverside G.O. Bonds	1,444,251	3,240 ⁽²⁾	0.2243	13,395,000	30,051
Metropolitan Water District G.O. Bonds	100,066,262	1,812 ⁽²⁾	0.0018	132,275,000	2,395
Riverside City Community College G.O. Bonds	14,174,770	9,270 ⁽²⁾	0.0654	227,097,323 ⁽³⁾	<u>148,518</u>
				Estimated Share of Overlapping Debt Allocable to the District	\$ 537,834
				Plus the Series 2014 Refunding CFD No. 18 Bonds	<u>\$ 2,165,000*</u>
				Estimated Share of Direct and Overlapping Debt Allocable to the District	\$ 2,702,834*

* Preliminary, subject to change.

(1) As of September 2, 2014. Principal for City of Riverside GO Bonds and Community College Bonds is made on August 1 of each year. Principal for MWD GO Bonds is made on March 1 of each year. All other districts pay principal on September 1 of each year.

(2) Estimated Fiscal Year 2014-15 levy. Calculated by multiplying the Fiscal Year 2014-15 *ad valorem* rate by the Fiscal Year 2014-15 net assessed value.

(3) Includes 2014 GO Refunding Bonds, Series A & B, issued May 29, 2014.

Source: David Taussig & Associates, Inc.

Value-to-Lien Ratios. The total assessed values of all of the taxable property in CFD No. 18, as determined by the County Assessor for Fiscal Year 2014-15, is \$52,072,832. The direct and overlapping land secured special tax, assessment and general obligation bonded indebtedness within CFD No. 18 as of September 2, 2014 was approximately \$2,702,834*. The assessed value-to-lien ratio of the property within CFD No. 18, based on the Fiscal Year 2014-15 assessed values, the aggregate principal amount of the CFD No. 18 Bonds and the estimated direct and overlapping land secured special tax, and assessment and general obligation bonded indebtedness within CFD No. 18 is approximately 19.27-to-1*. The following table summarizes the assessed value-to-lien ratios within CFD No. 18 by owner.

* Preliminary, subject to change.

**TABLE 33
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS
CFD NO. 18**

<i>Owner⁽¹⁾</i>	<i>Fiscal Year 2014-15 CFD No. 18 Levy</i>	<i>Percent of Total Levy</i>	<i>Number of Parcels</i>	<i>CFD No. 18 Outstanding Bond Amount^{(2)*}</i>	<i>RUSD GO Outstanding Bond Amount⁽³⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽³⁾</i>	<i>MWD GO Outstanding Bond Amount⁽³⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽³⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁴⁾</i>	<i>Value- to-Lien Ratio*</i>
Individual Owners	\$ 201,084	100.00%	72	\$ 2,165,000	\$ 356,870	\$ 30,051	\$ 2,395	\$ 148,518	\$ 2,702,834	\$ 52,072,832	19.27

* Preliminary, subject to change.

(1) Based on ownership as of January 1, 2014 provided by the Riverside County Assessor.

(2) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(3) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(4) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Value-to-lien Ratios by Range. The following table summarizes the assessed value-to-lien ratios within CFD No. 18 by value-to-lien range.

**TABLE 34
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS BY RANGES
CFD NO. 18**

<i>Value-to-Lien Range</i>	<i>Number of Residential Units</i>	<i>Fiscal Year 2014-15 CFD No. 18 Levy</i>	<i>CFD No. 18 Outstanding Bond Amount^{(1)*}</i>	<i>Percent of Total CFD No. 18 Outstanding Bond Amount*</i>	<i>RUSD GO Outstanding Bond Amount⁽²⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽²⁾</i>	<i>MWD GO Outstanding Bond Amount⁽²⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽²⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽³⁾</i>	<i>Percent of Total Fiscal Year 2014-15 Assessed Value*</i>	<i>Value-to-Lien Ratio*</i>
0.00-4.99	0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.00%	NA
5.00-9.99	0	0	0	0.00	0	0	0	0	0	0	0.00	NA
10.00-14.99	7	18,911	203,611	9.40	23,093	1,945	155	9,611	238,414	3,370,347	6.47	14.14
15.00-19.99	32	89,052	958,797	44.29	139,607	11,756	937	58,100	1,169,198	20,414,791	39.20	17.46
20.00 or Greater	33	93,120	1,002,592	46.31	194,169	16,351	1,303	80,807	1,295,222	28,287,694	54.32	21.84
Total	72	\$ 201,084	\$ 2,165,000	100.00%	\$ 356,870	\$ 30,051	\$ 2,395	\$ 148,518	\$ 2,702,834	\$ 52,072,832	100.00%	19.27

* Preliminary, subject to change.

(1) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(2) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(3) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Sample Tax Bill. The following tables show the projected total effective tax rate for sample residential parcels in CFD No. 18, based on the average square footage of the homes located on such parcels and other characteristics described in the tables.

TABLE 35A
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 09-002
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 2 (3,900-4,149 SF)
CFD NO. 18

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾		\$752,923	
Average Unit Size for Developed Property ⁽²⁾		4,012 Square Feet	
Average Lot Size for Developed Property ⁽³⁾		92,359 Square Feet	
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 7,529.23	
Metropolitan Water District G.O. Bonds	0.00350	26.35	
City of Riverside G.O. Bonds	0.00626	47.13	
Riverside Unified School District G.O. Bonds	0.05307	399.58	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>134.85</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 8,137.14	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 4.48	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		31.44	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 18 ⁽¹¹⁾		<u>2,865.20</u>	<u>\$ 3,703.00</u>
Total Assessments and Parcel Charges		\$ 2,945.84	\$ 3,783.64
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 11,082.99</u>	<u>\$ 11,920.79</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.47199%	1.58327%

- ⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 37 Tax Class 2 units in CFD No. 18, as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- ⁽²⁾ Based on the average unit size for 37 Tax Class 2 units in CFD No. 18.
- ⁽³⁾ Based on the average lot size for 37 Tax Class 2 units in CFD No. 18.
- ⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.
- ⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- ⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be 8.40 per benefit unit and the Fiscal Year 2016-17 rate will be 10.00 per benefit unit.
- ⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- ⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$31.44 per benefit unit. Some larger lots may be assessed at more than one benefit unit. The first unit of benefit is the first 199 feet of street frontage, with one additional unit of benefit for each 100 feet of street frontage, thereafter. The rate does not increase.
- ⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.
- ⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.
- ⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 18 Fiscal Year 2014-15 actual Special Tax rate of \$2,865.20 per unit for Tax Class 2 property. Assigned Special Tax rate is \$3,703.00 per unit for Tax Class 2 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 35A
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 09-002
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 3 (<3,900 SF)
CFD NO. 18

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
Average Unit Size for Developed Property ⁽²⁾			
Average Lot Size for Developed Property ⁽³⁾			
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 6,566.42	
Metropolitan Water District G.O. Bonds	0.00350	22.98	
City of Riverside G.O. Bonds	0.00626	41.11	
Riverside Unified School District G.O. Bonds	0.05307	348.48	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>117.60</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 7,096.59	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 4.32	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		15.50	
City of Riverside Lighting District ⁽⁸⁾		31.44	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 18 ⁽¹¹⁾		<u>2,636.16</u>	<u>\$ 3,407.00</u>
Total Assessments and Parcel Charges		\$ 2,722.92	\$ 3,493.76
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 9,819.51</u>	<u>\$ 10,590.35</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.49541%	1.61280%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 28 Tax Class 3 units in CFD No. 18, as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 28 Tax Class 3 units in CFD No. 18.

⁽³⁾ Based on the average lot size for 28 Tax Class 3 units in CFD No. 18.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be 8.40 per benefit unit and the Fiscal Year 2016-17 rate will be 10.00 per benefit unit.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$31.44 per benefit unit. Some larger lots may be assessed at more than one benefit unit. The first unit of benefit is the first 199 feet of street frontage, with one additional unit of benefit for each 100 feet of street frontage, thereafter. The rate does not increase.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.

⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 18 Fiscal Year 2014-15 actual Special Tax rate of \$2,636.16 per unit for Tax Class 3 property. Assigned Special Tax rate is \$3,407.00 per unit for Tax Class 3 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in CFD No. 18 for Fiscal Year 2009-10 through Fiscal Year 2013-14.

**TABLE 36
SPECIAL TAX DELINQUENCY HISTORY
FISCAL YEARS 2009-10 THROUGH 2013-14
CFD NO. 18**

<i>Fiscal Year</i>	<i>Total Amount Levied</i>	<i>Total Number of Parcels Levied</i>	<i>Total Delinquent Special Taxes at Fiscal Year End⁽¹⁾</i>	<i>Delinquency Rate at Fiscal Year End</i>	<i>Total Number of Parcels Delinquent as of 11/3/2014</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
2009-10	\$247,563	72	\$17,285	6.98%	0	\$ 0	0.00%
2010-11	235,185	72	3,351	1.42	0	0	0.00
2011-12	211,667	72	1,387	0.66	0	0	0.00
2012-13	201,084	72	5,501	2.74	0	0	0.00
2013-14	201,084	72	2,636	1.31	0	0	0.00

⁽¹⁾ Amount delinquent as of June 30 of the fiscal year in which special taxes were levied.
Source: David Taussig & Associates, Inc.

**INSERT AREA MAP FOR
CFD NO. 21
IMPROVEMENT AREA 2**

CFD NO. 21 AND IMPROVEMENT AREA 2

Location and Description. CFD No. 21 and Improvement Area 2 therein was formed by the School District in December 2005 to finance various public improvements needed to develop property located within CFD No. 21. CFD No. 21 Improvement Area 2 contains approximately 69.94 acres and is located in the northwest portion of the City of Riverside. CFD No. 21 Improvement Area 2 includes 65 taxable parcels. CFD No. 21 Improvement Area 2 is completely built out with 65 completed single family detached homes which have been conveyed to individual homeowners.

Assigned Special Taxes. The following table shows the Assigned Special Taxes and the actual Special Taxes that were levied on parcels of property in CFD No. 21 Improvement Area 2 for Fiscal Year 2014-15 and the percentages of the total Special Tax levy. The final maturity of the CFD No. 21-2 Bonds is September 1, 2037.

**TABLE 37
FISCAL YEAR 2014-15 ASSIGNED AND ACTUAL SPECIAL TAXES
CFD NO. 21, IMPROVEMENT AREA NO. 2**

<i>Property Classification/ Tax Class⁽¹⁾</i>	<i>Number of Units/Acres</i>	<i>Fiscal Year 2014-15 Assigned Special Tax per Unit/Acre⁽²⁾</i>	<i>Total Fiscal Year 2014-15 Assigned Special Tax</i>	<i>Fiscal Year 2014-15 Actual Special Tax per Unit/Acre</i>	<i>Fiscal Year 2014-15 Levy</i>	<i>Percent of Maximum Special Tax</i>
Developed Property						
Tax Class 1 (SFD ≥ 5,000 SF)	29 Units	\$ 4,238.99	\$ 122,930.71	\$ 3,244.54	\$ 94,091.66	76.54%
Tax Class 2 (SFD 4,000 - 4,999 SF)	30 Units	3,949.78	118,493.40	3,023.16	90,694.80	76.54
Tax Class 8 (SFD < 4,000 SF)	6 Units	3,603.20	21,619.20	2,757.90	16,547.40	76.54
Total	65 Units	NA	\$ 263,043.31	NA	\$ 201,333.86	76.54%

⁽¹⁾ Classification pursuant to the Rate and Method of Apportionment.

⁽²⁾ The Assigned Special Tax rates increase by 2.00% per year.

Source: David Taussig & Associates, Inc.

For the complete text of the CFD No. 21 Improvement Area 2 Rate and Method, see APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

Estimated Direct and Overlapping Indebtedness. Within the boundaries of CFD No. 21 Improvement Area 2 are numerous overlapping local agencies providing public services. The only outstanding debt secured by a special tax or assessment on the parcels within CFD No. 21 Improvement Area 2 is the Community Facilities District No. 21 of Riverside Unified School District 2007 Special Tax Bonds, Series A (Improvement Area No. 2) (the “Prior CFD No. 21-2 Bonds”). However, Table 38 below does not include the Prior CFD No. 21-2 Bonds and instead includes the \$2,830,000* aggregate principal amount of the Community Facilities District No. 21 of Riverside Unified School District, 2015 Special Tax Refunding Bonds (Improvement Area 2) (the “CFD No. 21 Bonds”) being issued to refund the Prior CFD No. 21-2 Bonds. In addition, there is \$424,147 outstanding principal amount of general obligation bonds allocable to CFD No. 21 Improvement Area 2 based on the current assessed value of CFD No. 21 Improvement Area 2 relative to the current assessed value within the boundaries of the applicable taxing jurisdiction issuing the general obligation bonds.

* Preliminary, subject to change.

**TABLE 38
DIRECT AND OVERLAPPING DEBT SUMMARY
AS OF SEPTEMBER 2, 2014
CFD NO. 21, IMPROVEMENT AREA NO. 2**

<i>Overlapping District</i>	<i>Actual Fiscal Year 2014-15 Total Levy</i>	<i>Amount of Levy on Parcels in District</i>	<i>Percent on Levy on Parcels in District</i>	<i>Total Debt Outstanding⁽¹⁾</i>	<i>District Share of Total Debt Outstanding</i>
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$20,432 ⁽²⁾	0.1922%	\$138,110,000	\$ 265,453
Metropolitan Water District G.O. Bonds	100,066,262	1,348 ⁽²⁾	0.0013	132,275,000	1,781
Riverside City Community College G.O. Bonds	14,174,770	6,895 ⁽²⁾	0.0486	227,097,323 ⁽³⁾	110,473
WRCOG HERO Program ⁽⁴⁾	NA	4,843	NA	46,440	<u>46,440⁽⁵⁾</u>
				Estimated Share of Overlapping Debt Allocable to the District	\$ 424,147
				Plus the Series 2014 Refunding CFD No. 21, IA No. 2 Bonds	<u>\$ 2,830,000*</u>
				Estimated Share of Direct and Overlapping Debt Allocable to the District	\$ 3,254,147*

* Preliminary, subject to change.

(1) As of September 2, 2014. Principal for City of Riverside GO Bonds and Community College Bonds is made on August 1 of each year. Principal for MWD GO Bonds is made on March 1 of each year. All other districts pay principal on September 1 of each year.

(2) Estimated Fiscal Year 2014-15 levy. Calculated by multiplying the Fiscal Year 2014-15 *ad valorem* rate by the Fiscal Year 2014-15 net assessed value.

(3) Includes 2014 GO Refunding Bonds, Series A & B, issued May 29, 2014.

(4) The WRCOG HERO Program is a Property Assessed Clean Energy (PACE) program under AB 811. Participating property owners enter into a contractual assessment with WRCOG to finance energy efficiency, renewable energy, and water conservation improvements on their property. Bonds are issued, and the assessments are paid back over time through an annual assessment on the property tax bill.

(5) Includes outstanding assessment lien for one parcel in CFD 21, IA No. 2.

Source: David Taussig & Associates, Inc.

Value-to-Lien Ratios. The total assessed values of all of the taxable property in CFD No. 21 Improvement Area 2, as determined by the County Assessor for Fiscal Year 2014-15, is \$38,730,078. The direct and overlapping land secured special tax, assessment and general obligation bonded indebtedness within CFD No. 21 Improvement Area 2 as of September 2, 2014 was approximately \$3,254,147*. The assessed value-to-lien ratio of the property within CFD No. 13 Improvement Area 2, based on the Fiscal Year 2014-15 assessed values, the aggregate principal amount of the CFD No. 21-2 Bonds and the estimated direct and overlapping land secured special tax, and assessment and general obligation bonded indebtedness within CFD No. 21 Improvement Area 2 is approximately 11.90-to-1*. The following table summarizes the assessed value-to-lien ratios within CFD No. 21 Improvement Area 2 by owner.

* Preliminary, subject to change.

TABLE 39
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS
CFD NO. 21, IMPROVEMENT AREA NO. 2

<i>Owner⁽¹⁾</i>	<i>Fiscal Year 2014-15 CFD</i>		<i>Number of Parcels</i>	<i>CFD No. 21, IA No. 2</i>				<i>WRCOG HERO Program</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁵⁾</i>	<i>Value-to-Lien Ratio*</i>
	<i>No. 21, IA No. 2 Levy</i>	<i>Percent of Total Levy</i>		<i>Outstanding Bond Amount^{(2)*}</i>	<i>RUSD GO Outstanding Bond Amount⁽³⁾</i>	<i>MWD GO Outstanding Bond Amount⁽³⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽³⁾</i>	<i>Outstanding Bond Amount⁽⁴⁾</i>			
Individual Owners	\$ 201,334	100.00%	65	\$2,830,000	\$ 265,453	\$ 1,781	\$ 110,473	\$ 46,440	\$ 3,254,147	\$ 38,730,078	11.90

* Preliminary, subject to change.

(1) Based on ownership as of January 1, 2014 provided by the Riverside County Assessor.

(2) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(3) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(4) The WRCOG HERO Program is a Property Assessed Clean Energy (PACE) program under AB 811. Participating property owners enter into a contractual assessment with WRCOG to finance energy efficiency, renewable energy, and water conservation improvements on their property. Bonds are issued, and the assessments are paid back over time through an annual assessment on the property tax bill.

(5) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Value-to-lien Ratios by Range. The following table summarizes the assessed value-to-lien ratios within CFD No. 21 Improvement Area 2 by value-to-lien category.

**TABLE 40
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS BY RANGES
CFD NO. 21, IMPROVEMENT AREA NO. 2**

Value-to-Lien Range	Number of Residential Units	Fiscal Year 2014-15 CFD No. 21, IA No. 2 Levy	CFD No. 21, IA No. 2 Outstanding Bond Amount^{(1)*}	Percent of Total CFD No. 21, IA No. 2 Outstanding Bond Amount*	RUSD GO Outstanding Bond Amount⁽²⁾	MWD GO Outstanding Bond Amount⁽²⁾	RCCD GO Outstanding Bond Amount⁽²⁾	WRCOG HERO Program Outstanding Bond Amount⁽³⁾	Total Direct and Overlapping Debt*	Fiscal Year 2014-15 Assessed Value⁽⁴⁾	Percent of Total Fiscal Year 2014-15 Assessed Value*	Value-to-Lien Ratio*
0.00-4.99	0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.00%	NA
5.00-9.99	4	12,757	179,313	6.34	14,389	97	5,988	46,440	246,226	2,093,919	5.41	8.50
10.00-14.99	61	188,577	2,650,687	93.66	251,064	1,685	104,485	0	3,007,922	36,636,159	94.59	12.18
15.00-19.99	0	0	0	0.00	0	0	0	0	0	0	0.00	NA
20.00 or Greater	0	0	0	0.00	0	0	0	0	0	0	0.00	NA
Total	65	\$ 201,334	\$ 2,830,000	100.00%	\$ 265,453	\$ 1,781	\$ 110,473	\$ 46,440	\$ 3,254,147	\$ 38,730,078	100.00%	11.90

* Preliminary, subject to change.

(1) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(2) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(3) The WRCOG HERO Program is a Property Assessed Clean Energy (PACE) program under AB 811. Participating property owners enter into a contractual assessment with WRCOG to finance energy efficiency, renewable energy, and water conservation improvements on their property. Bonds are issued, and the assessments are paid back over time through an annual assessment on the property tax bill.

(4) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Sample Tax Bill. The following tables show the projected total effective tax rate for sample residential parcels in CFD No. 21 Improvement Area 2, based on the average square footage of the homes located on such parcels and other characteristics described in the tables.

TABLE 41A
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 88-093
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥5,000 SF)
CFD NO. 21, IMPROVEMENT AREA NO. 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
Average Unit Size for Developed Property ⁽²⁾			
Average Lot Size for Developed Property ⁽³⁾			
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 6,156.09	
Metropolitan Water District G.O. Bonds	0.00350	21.55	
Riverside Unified School District G.O. Bonds	0.05307	326.70	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>110.26</u>	
Total General Property Taxes and Overrides	1.07448%	\$ 6,614.59	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 4.04	
County Service Area 87 - Street Lights ⁽⁶⁾		58.62	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 NPDES ⁽⁸⁾		40.00	
Lighting & Landscaping Maintenance District No. 89-1-C Zone 26 ⁽⁹⁾		138.58	
Riverside Unified School District CFD No. 10, Tax Zone B ⁽¹⁰⁾		<u>3,244.54</u>	<u>\$ 4,238.99</u>
Total Assessments and Parcel Charges		\$ 3,495.00	\$ 4,489.45
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 10,109.59</u>	<u>\$ 11,104.04</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.64221%	1.80375%

(1) Based on average net assessed value plus \$7,000 homeowner's exemption for 29 Tax Class 1 units in CFD No. 21, IA No. 2, as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

(2) Based on the average unit size for 29 Tax Class 1 units in CFD No. 21, IA No. 2.

(3) Based on the average lot size for 29 Tax Class 1 units in CFD No. 21, IA No. 2.

(4) Actual Fiscal Year 2014-15 *ad valorem* rates.

(5) Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

(6) Based on the Fiscal Year 2014-15 rate of \$58.62 per parcel. The rate does not increase.

(7) Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

(8) Based on the Fiscal Year 2014-15 rate of \$40.00 per parcel. The rate does not increase.

(9) Based on the Fiscal Year 2014-15 rate of \$138.58 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles-Riverside-Orange County Area, not to exceed 2.00%.

(10) Based on the Riverside Unified School District CFD No. 21, IA No. 2 Fiscal Year 2014-15 actual Special Tax rate of \$3,244.54 per unit for Tax Class 1 property. Assigned Special Tax rate is \$4,238.99 per unit for Tax Class 1 property. The Assigned Special Tax rate escalates annually by 2%.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates.

TABLE 41B
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 88-093
PARTICIPANT IN WRCOG HERO PACE PROGRAM
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥5,000 SF)
CFD NO. 21, IMPROVEMENT AREA NO. 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾ :		\$673,000	
NET ASSESSED VALUE ⁽¹⁾ :		\$666,000	
Unit Size ⁽²⁾ :		5,424 Square Feet	
Lot Size ⁽³⁾ :		39,640 Square Feet	
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 6,660.00	
Metropolitan Water District G.O. Bonds	0.00350	23.31	
Riverside Unified School District G.O. Bonds	0.05307	353.45	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>119.28</u>	
Total General Property Taxes and Overrides	1.07448%	\$ 7,156.04	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 4.02	
County Service Area 87 – Street Lights ⁽⁶⁾		58.62	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 NPDES ⁽⁸⁾		40.00	
Lighting & Landscaping Maintenance District No. 89-1-C Zone 26 ⁽⁹⁾		138.58	
WRCOG HERO Funded Fiscal Year 2013-14 ⁽¹⁰⁾		4,843.30	
Riverside Unified School District CFD No. 21, IA No. 1 ⁽¹¹⁾		<u>3,244.54</u>	<u>\$ 4,238.99</u>
Total Assessments and Parcel Charges		\$ 8,338.28	\$ 9,332.73
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 15,494.32</u>	 <u>\$ 16,488.77</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 2.30228%	 2.45004%

⁽¹⁾ Based on assessed values for unit with WRCOG HERO PACE assessment in CFD No. 21, IA No. 2 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on actual unit size.

⁽³⁾ Based on actual lot size.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$58.62 per parcel. The rate does not increase.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$40.00 per parcel. The rate does not increase.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$138.58 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles-Riverside-Orange County Area, not to exceed 2.00%.

⁽¹⁰⁾ Based on administrative expenses, principal and interest due on outstanding lien on March 1, 2015 and September 1, 2015.

⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 21, IA No. 2 Fiscal Year 2014-15 actual Special Tax rate of \$3,244.54 per unit for Tax Class 1 property. Assigned Special Tax rate is \$4,238.99 per unit for Tax Class 1 property. The Assigned Special Tax rate escalates annually by 2%.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates.

TABLE 41C
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 88-093
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 2 (4,000-4,999 SF)
CFD NO. 21, IMPROVEMENT AREA NO. 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾		\$589,358	
Average Unit Size for Developed Property ⁽²⁾		4,769 Square Feet	
Average Lot Size for Developed Property ⁽³⁾		41,571 Square Feet	
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 5,893.58	
Metropolitan Water District G.O. Bonds	0.00350	20.63	
Riverside Unified School District G.O. Bonds	0.05307	312.77	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>105.55</u>	
Total General Property Taxes and Overrides	1.07448%	\$ 6,332.54	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 4.05	
County Service Area 87 - Street Lights ⁽⁶⁾		58.62	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 NPDES ⁽⁸⁾		40.00	
Lighting & Landscaping Maintenance District No. 89-1-C Zone 26 ⁽⁹⁾		138.58	
Riverside Unified School District CFD No. 10, Tax Zone B ⁽¹⁰⁾		<u>3,023.16</u>	<u>\$ 3,949.78</u>
Total Assessments and Parcel Charges		\$ 3,273.63	\$ 4,200.25
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 9,606.16</u>	 <u>\$ 10,532.78</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 1.62994%	 1.78716%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 30 Tax Class 2 units in CFD No. 21, IA No. 2, as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 30 Tax Class 2 units in CFD No. 21, IA No. 2.

⁽³⁾ Based on the average lot size for 30 Tax Class 2 units in CFD No. 21, IA No. 2.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$58.62 per parcel. The rate does not increase.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$40.00 per parcel. The rate does not increase.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$138.58 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles-Riverside-Orange County Area, not to exceed 2.00%.

⁽¹⁰⁾ Based on the Riverside Unified School District CFD No. 21, IA No. 2 Fiscal Year 2014-15 actual Special Tax rate of \$3,023.16 per unit for Tax Class 2 property. Assigned Special Tax rate is \$3,949.78 per unit for Tax Class 2 property. The Assigned Special Tax rate escalates annually by 2%.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in CFD No. 21 Improvement Area 2 for Fiscal Year 2009-10 through Fiscal Year 2013-14.

**TABLE 42
SPECIAL TAX DELINQUENCY HISTORY
FISCAL YEARS 2009-10 THROUGH 2013-14
CFD NO. 21, IMPROVEMENT AREA NO. 2**

<i>Fiscal Year</i>	<i>Total Amount Levied</i>	<i>Total Number of Parcels Levied</i>	<i>Total Delinquent Special Taxes at Fiscal Year End⁽¹⁾</i>	<i>Delinquency Rate at Fiscal Year End</i>	<i>Total Number of Parcels Delinquent as of 11/3/2014</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
2009-10	\$238,246	65	\$16,152	6.78%	0	\$ 0	0.00%
2010-11	214,422	65	13,445	6.27	0	0	0.00
2011-12	203,701	65	7,490	3.68	0	0	0.00
2012-13	193,516	65	9,143	4.72	0	0	0.00
2013-14	197,387	65	0	0.00	0	0	0.00

⁽¹⁾ Amount delinquent as of June 30 of the fiscal year in which special taxes were levied.
Source: David Taussig & Associates, Inc.

**INSERT AREA MAP FOR
CFD NO. 22
(MAP 1)**

**INSERT AREA MAP FOR
CFD NO. 22
(MAP 2)**

**INSERT AREA MAP FOR
CFD NO. 22
(MAP 3)**

**INSERT AREA MAP FOR
CFD NO. 22
(MAP 4)**

CFD NO. 22

Location and Description. CFD No. 22 was formed by the School District in February 2005 to finance various public improvements needed to develop property located within CFD No. 22. CFD No. 22 consists of four non-continuous parcels (totaling approximately 33 acres) located in the eastern portion of the City of Riverside: 1) Tract No. 32139 consisting of approximately 3.96 acres, 2) Tract No. 30741 consisting of approximately 7.79 acres, 3) Tract No. 32046 consisting of approximately 6.87 acres, and 4) Tract No. 31946 consisting of approximately 15.59 acres. CFD No. 22 includes 160 taxable parcels. CFD No. 22 is completely built out with 160 completed single family detached homes which have been conveyed to individual homeowners.

Assigned Special Taxes. The following table shows the Assigned Special Taxes and the actual Special Taxes that were levied on parcels of property in CFD No. 22 for Fiscal Year 2014-15 and the percentages of the total Special Tax levy. The final maturity of the CFD No. 22 Bonds is September 1, 2035.

**TABLE 43
FISCAL YEAR 2014-15 ASSIGNED AND ACTUAL SPECIAL TAXES
CFD NO. 22**

<i>Property Classification/ Tax Class⁽¹⁾</i>	<i>Number of Units/Acres</i>	<i>Fiscal Year 2014-15 Assigned Special Tax per Unit/Acre</i>	<i>Total Fiscal Year 2014-15 Assigned Special Tax</i>	<i>Fiscal Year 2014-15 Actual Special Tax per Unit/Acre</i>	<i>Fiscal Year 2014-15 Levy</i>	<i>Percent of Maximum Special Tax</i>
Developed Property						
Tax Class 1 (SFD > 3,200 SF)	28 Units	\$ 3,683.00	\$ 103,124.00	\$ 3,210.52	\$ 89,894.56	87.17%
Tax Class 2 (SFD 2,951 - 3,200 SF)	6 Units	3,460.00	20,760.00	3,016.12	18,096.72	87.17
Tax Class 3 (SFD 2,701 - 2,950 SF)	9 Units	3,259.00	29,331.00	2,840.92	25,568.28	87.17
Tax Class 4 (SFD 2,201 - 2,700 SF)	0 Units	3,020.00	0.00	0.00	0.00	NA
Tax Class 5 (SFD 1,951 - 2,200 SF)	23 Units	2,864.00	65,872.00	2,496.58	57,421.34	87.17
Tax Class 6 (SFD 1,701 - 1,950 SF)	45 Units	2,550.00	114,750.00	2,222.86	100,028.70	87.17
Tax Class 7 (SFD ≤ 1,700 SF)	49 Units	2,252.00	110,348.00	1,963.10	96,191.90	87.17
Total	160 Units	NA	\$ 444,185.00	NA	\$ 387,201.50	87.17%

⁽¹⁾ Classification pursuant to the Rate and Method of Apportionment.
Source: David Taussig & Associates, Inc.

For the complete text of the CFD No. 22 Rate and Method, see APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

Estimated Direct and Overlapping Indebtedness. Within the boundaries of CFD No. 22 are numerous overlapping local agencies providing public services. The only outstanding debt secured by a special tax or assessment on the parcels within CFD No. 22 is the Community Facilities District No. 22 of Riverside Unified School District 2006 Special Tax Bonds (the “Prior CFD No. 22 Bonds”). However, Table 44 below does not include the Prior CFD No. 22 Bonds and instead includes the \$4,220,000* aggregate principal amount of the Community Facilities District No. 22 of Riverside Unified School District, 2015 Special Tax Refunding Bonds (the “CFD No. 22 Bonds”) being issued to refund the Prior CFD No. 22 Bonds. In addition, there is \$501,623 outstanding principal amount of general obligation bonds allocable to CFD No. 22 based on the current assessed value of CFD No. 22 relative to the current assessed value within the boundaries of the applicable taxing jurisdiction issuing the general obligation bonds.

* Preliminary, subject to change.

**TABLE 44
DIRECT AND OVERLAPPING DEBT SUMMARY
AS OF SEPTEMBER 2, 2014
CFD NO. 22**

<i>Overlapping District</i>	<i>Actual Fiscal Year 2014-15 Total Levy</i>	<i>Amount of Levy on Parcels in District</i>	<i>Percent on Levy on Parcels in District</i>	<i>Total Debt Outstanding⁽¹⁾</i>	<i>District Share of Total Debt Outstanding</i>
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$25,619 ⁽²⁾	0.2410%	\$138,110,000	\$ 332,843
City of Riverside G.O. Bonds	1,444,251	3,022 ⁽²⁾	0.2092	13,395,000	28,028
Metropolitan Water District G.O. Bonds	100,066,262	1,690 ⁽²⁾	0.0017	132,275,000	2,233
Riverside City Community College G.O. Bonds	14,174,770	8,646 ⁽²⁾	0.0610	227,097,323 ⁽³⁾	<u>138,519</u>
				Estimated Share of Overlapping Debt Allocable to the District	\$ 501,623
				Plus the Series 2014 Refunding CFD No. 22 Bonds	<u>\$ 4,220,000*</u>
				Estimated Share of Direct and Overlapping Debt Allocable to the District	\$ 4,721,623*

* Preliminary, subject to change.

(1) As of September 2, 2014. Principal for City of Riverside GO Bonds and Community College Bonds is made on August 1 of each year. Principal for MWD GO Bonds is made on March 1 of each year. All other districts pay principal on September 1 of each year.

(2) Estimated Fiscal Year 2014-15 levy. Calculated by multiplying the Fiscal Year 2014-15 *ad valorem* rate by the Fiscal Year 2014-15 net assessed value.

(3) Includes 2014 GO Refunding Bonds, Series A & B, issued May 29, 2014.

Source: David Taussig & Associates, Inc.

Value-to-Lien Ratios. The total assessed values of all of the taxable property in CFD No. 22, as determined by the County Assessor for Fiscal Year 2014-15, is \$48,978,619. The direct and overlapping land secured special tax, assessment and general obligation bonded indebtedness within CFD No. 22 as of September 2, 2014 was approximately \$4,721,623*. The assessed value-to-lien ratio of the property within CFD No. 22, based on the Fiscal Year 2014-15 assessed values, the aggregate principal amount of the CFD No. 22 Bonds and the estimated direct and overlapping land secured special tax, and assessment and general obligation bonded indebtedness within CFD No. 22 is approximately 10.37-to-1*. The following table summarizes the assessed value-to-lien ratios within CFD No. 22 by owner.

* Preliminary, subject to change.

**TABLE 45
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS
CFD NO. 22**

<i>Owner⁽¹⁾</i>	<i>Fiscal Year 2014-15 CFD No. 22 Levy</i>	<i>Percent of Total Levy</i>	<i>Number of Parcels</i>	<i>CFD No. 22 Outstanding Bond Amount^{(2)*}</i>	<i>RUSD GO Outstanding Bond Amount⁽³⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽³⁾</i>	<i>MWD GO Outstanding Bond Amount⁽³⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽³⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁴⁾</i>	<i>Value- to-Lien Ratio*</i>
Individual Owners	\$ 387,202	100.00%	160	\$ 4,220,000	\$ 332,843	\$ 28,028	\$ 2,233	\$ 138,519	\$ 4,721,623	\$ 48,978,619	10.37

* Preliminary, subject to change.

(1) Based on ownership as of January 1, 2014 provided by the Riverside County Assessor.

(2) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(3) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(4) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Value-to-lien Ratios by Range. The following table summarizes the assessed value-to-lien ratios within CFD No. 22 by value-to-lien range.

**TABLE 46
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS BY RANGES
CFD NO. 22**

<i>Value-to-Lien Range</i>	<i>Number of Residential Units</i>	<i>Fiscal Year 2014-15 CFD No. 22 Levy</i>	<i>CFD No. 22 Outstanding Bond Amount^{(1)*}</i>	<i>Percent of Total CFD No. 22 Outstanding Bond Amount*</i>	<i>RUSD GO Outstanding Bond Amount⁽²⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽²⁾</i>	<i>MWD GO Outstanding Bond Amount⁽²⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽²⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽³⁾</i>	<i>Percent of Total Fiscal Year 2014-15 Assessed Value*</i>	<i>Value-to-Lien Ratio*</i>
0.00-4.99	0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.00%	NA
5.00-9.99	107	236,658	2,579,273	61.12	153,511	12,927	1,030	63,887	2,810,628	22,781,381	46.51	8.11
10.00-14.99	37	99,175	1,080,878	25.61	103,825	8,743	697	43,209	1,237,351	15,182,978	31.00	12.27
15.00-19.99	16	51,368	559,849	13.27	75,507	6,358	507	31,424	673,644	11,014,260	22.49	16.35
20.00 or Greater	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00</u>	<u>NA</u>
Total	160	\$ 387,202	\$ 4,220,000	100.00%	\$ 332,843	\$ 28,028	\$ 2,233	\$ 138,519	\$ 4,721,623	\$ 48,978,619	100.00%	10.37

* Preliminary, subject to change.

(1) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(2) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(3) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Sample Tax Bill. The following tables show the projected total effective tax rate for sample residential parcels in CFD No. 22, based on the average square footage of the homes located on such parcels and other characteristics described in the tables.

TABLE 47A
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 09-000, 09-013, 09-024, 09-139
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 5 (1,951-2,200 SF)
CFD NO. 22

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾		\$236,613	
Average Unit Size for Developed Property ⁽²⁾		1,957 Square Feet	
Average Lot Size for Developed Property ⁽³⁾		3,920 Square Feet	
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,366.13	
Metropolitan Water District G.O. Bonds	0.00350	14.81	
City of Riverside G.O. Bonds	0.00626	8.28	
Riverside Unified School District G.O. Bonds	0.05307	125.57	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>42.38</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,557.17	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 2.03	
City of Riverside Lighting District ⁽⁸⁾		31.44	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 - Riverside Stormwater ⁽⁶⁾		6.80	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 22 ⁽¹¹⁾		<u>2,496.58</u>	<u>\$ 2,864.00</u>
Total Assessments and Parcel Charges		\$ 2,574.77	\$ 2,932.49
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 5,131.93</u>	 <u>\$ 5,489.65</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 2.16892%	 2.32010%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 23 Tax Class 5 units in CFD No. 22, as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 23 Tax Class 5 units in CFD No. 22.

⁽³⁾ Based on the average lot size for 23 Tax Class 5 units in CFD No. 22.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Parcels in CFD No. 22 receive either the Riverside Lighting District charge of \$31.44 per benefit unit for residential units (Tax Rate Areas 09-000, 09-013, 09-024) or \$27.60 per benefit unit for condominiums, apartments, and mobile homes (Tax Rate Area 09-139). For purposes of this analysis, the higher of the two charges is shown. The rate does not increase.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.

⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 22, Fiscal Year 2014-15 actual Special Tax rate of \$2,496.58 per unit for Tax Class 5 property. Assigned Special Tax rate is \$2,864.00 per unit for Tax Class 5 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 47B
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA S 09,000, 09-013, 09-024, 09-139
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 7 (≤1,700 SF)
CFD NO. 22

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
\$204,035			
Average Unit Size for Developed Property ⁽²⁾			
1,610 Square Feet			
Average Lot Size for Developed Property ⁽³⁾			
3,085 Square Feet			
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,040.35	
Metropolitan Water District G.O. Bonds	0.00350	12.77	
City of Riverside G.O. Bonds	0.00626	7.14	
Riverside Unified School District G.O. Bonds	0.05307	108.28	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>36.54</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,205.08	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 1.59	
City of Riverside Lighting District ⁽⁸⁾		31.44	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 - Riverside Stormwater ⁽⁶⁾		6.80	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 22 ⁽¹¹⁾		<u>1,963.10</u>	<u>\$ 2,252.00</u>
Total Assessments and Parcel Charges		\$ 2,040.85	\$ 2,320.05
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 4,245.94</u>	<u>\$ 4,525.14</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		2.08099%	2.21783%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 49 Tax Class 7 units in CFD No. 22, as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 49 Tax Class 7 units in CFD No. 22.

⁽³⁾ Based on the average lot size for 49 Tax Class 7 units in CFD No. 22.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Parcels in CFD No. 22 receive either the Riverside Lighting District charge of \$31.44 per benefit unit for residential units (Tax Rate Areas 09-000, 09-013, 09-024) or \$27.60 per benefit unit for condominiums, apartments, and mobile homes (Tax Rate Area 09-139). For purposes of this analysis, the higher of the two charges is shown. The rates do not increase.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.

⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 22, Fiscal Year 2014-15 actual Special Tax rate of \$1,963.10 per unit for Tax Class 7 property. Assigned Special Tax rate is \$2,252.00 per unit for Tax Class 7 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in CFD No. 22 for Fiscal Year 2009-10 through Fiscal Year 2013-14.

TABLE 48
SPECIAL TAX DELINQUENCY HISTORY
FISCAL YEARS 2009-10 THROUGH 2013-14
CFD NO. 22

<i>Fiscal Year</i>	<i>Total Amount Levied</i>	<i>Total Number of Parcels Levied</i>	<i>Total Delinquent Special Taxes at Fiscal Year End⁽¹⁾</i>	<i>Delinquency Rate at Fiscal Year End</i>	<i>Total Number of Parcels Delinquent as of 11/3/2014</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
2009-10	\$433,081	160	\$20,292	4.69%	0	\$ 0	0.00%
2010-11	422,255	160	17,012	4.03	0	0	0.00
2011-12	401,142	160	2,303	0.57	0	0	0.00
2012-13	391,112	160	1,123	0.29	0	0	0.00
2013-14	387,202	160	982	0.25	0	0	0.00

⁽¹⁾ Amount delinquent as of June 30 of the fiscal year in which special taxes were levied.
 Source: David Taussig & Associates, Inc.

**INSERT AREA MAP FOR
CFD NO. 24
(MAP 1)**

**INSERT AREA MAP FOR
CFD NO. 24
(MAP 2)**

**INSERT AREA MAP FOR
CFD NO. 24
(MAP 3)**

CFD NO. 24

Location and Description. CFD No. 24 was formed by the School District in September 2005 to finance various public improvements needed to develop property located within CFD No. 24. CFD No. 24 consists of three non-continuous parcels (totaling approximately 67 acres) located in the south-eastern portion of the City of Riverside: 1) Tract No. 31415 consisting of approximately 9.57 acres, 2) Tract No. 31801 consisting of approximately 17.35 acres, and 3) Lots 1 through 8 of Tract No. 32205 consisting of approximately 40.50 acres. CFD No. 24 includes 229 taxable parcels. CFD No. 24 is completely built out with 229 completed single family detached homes which have been conveyed to individual homeowners.

Assigned Special Taxes. The following table shows the Assigned Special Taxes and the actual Special Taxes that were levied on parcels of property in CFD No. 24 for Fiscal Year 2014-15 and the percentages of the total Special Tax levy. The final maturity of the CFD No. 24 Bonds is September 1, 2036.

**TABLE 49
FISCAL YEAR 2014-15 ASSIGNED AND ACTUAL SPECIAL TAXES
CFD NO. 24**

<i>Tax Rate Zone/ Property Classification/ Tax Class⁽¹⁾</i>	<i>Number of Units/Acres</i>	<i>Fiscal Year 2014-15 Assigned Special Tax per Unit/Acre⁽²⁾</i>	<i>Total Fiscal Year 2014-15 Assigned Special Tax</i>	<i>Fiscal Year 2014-15 Actual Special Tax per Unit/Acre</i>	<i>Fiscal Year 2014-15 Levy</i>	<i>Percent of Maximum Special Tax</i>
Tax Rate Zone 1						
Developed Property						
Tax Class 1 (SFD ≥ 1,600 SF)	26 Units	\$ 2,550.33	\$ 66,308.58	\$ 1,486.64	\$ 38,652.64	58.29%
Tax Class 2 (SFD 1,300 - 1,599 SF)	63 Units	2,331.63	146,892.69	1,359.16	85,627.08	58.29
Tax Class 3 (SFD < 1,300 SF)	<u>9 Units</u>	<u>2,185.82</u>	<u>19,672.38</u>	<u>1,274.16</u>	<u>11,467.44</u>	<u>58.29</u>
Subtotal - Tax Rate Zone 1	98 Units	NA	\$ 232,873.65	NA	\$ 135,747.16	58.29%
Tax Rate Zone 2						
Developed Property						
Tax Class 1 (SFD ≥ 2,001 SF)	36 Units	\$ 3,088.12	\$ 111,172.32	\$ 1,660.36	\$ 59,772.96	53.77%
Tax Class 2 (SFD 1,801 - 2,000 SF)	33 Units	2,933.95	96,820.35	1,577.48	52,056.84	53.77
Tax Class 3 (SFD 1,500 - 1,800 SF)	30 Units	2,702.10	81,063.00	1,452.82	43,584.60	53.77
Tax Class 4 (SFD < 1,500 SF)	<u>24 Units</u>	<u>2,547.94</u>	<u>61,150.56</u>	<u>1,369.94</u>	<u>32,878.56</u>	<u>53.77</u>
Subtotal - Tax Rate Zone 2	123 Units	NA	\$ 350,206.23	NA	\$ 188,292.96	53.77%
Tax Rate Zone 3						
Developed Property						
Tax Class 1 (SFD > 3,800 SF)	7 Units	\$ 5,149.65	\$ 36,047.55	\$ 2,602.12	\$ 18,214.84	50.53%
Tax Class 2 (SFD 3,000 - 3,800 SF)	0 Units	4,283.21	0.00	0.00	0.00	NA
Tax Class 3 (SFD < 3,000 SF)	<u>1 Units</u>	<u>3,453.82</u>	<u>3,453.82</u>	<u>1,745.22</u>	<u>1,745.22</u>	<u>50.53</u>
Subtotal - Tax Rate Zone 3	<u>8 Units</u>	<u>NA</u>	<u>\$ 39,501.37</u>	<u>NA</u>	<u>\$ 19,960.06</u>	<u>50.53%</u>
Total	229 Units	NA	\$ 622,581.25	NA	\$ 344,000.18	55.25%

⁽¹⁾ Classification pursuant to the Rate and Method of Apportionment.

⁽²⁾ The Assigned Special Tax rates increase by 2.00% per year.

Source: David Taussig & Associates, Inc.

For the complete text of the CFD No. 24 Rate and Method, see APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

Estimated Direct and Overlapping Indebtedness. Within the boundaries of CFD No. 24 are numerous overlapping local agencies providing public services. The only outstanding debt secured by a special tax or assessment on the parcels within CFD No. 24 is the Community Facilities District No. 24 of Riverside Unified School District 2006 Special Tax Bonds (the “Prior CFD No. 24 Bonds”). However, Table 50 below does not include the Prior CFD No. 24 Bonds and instead includes the \$4,950,000* aggregate principal amount of the Community Facilities District No. 24 of Riverside Unified School District, 2015 Special Tax Refunding Bonds (the “CFD No. 24 Bonds”) being issued to refund the Prior CFD No. 24 Bonds. In addition, there is \$582,648 outstanding principal amount of general obligation bonds allocable to CFD No. 24 based on the current assessed value of CFD No. 24 relative to the current assessed value within the boundaries of the applicable taxing jurisdiction issuing the general obligation bonds.

**TABLE 50
DIRECT AND OVERLAPPING DEBT SUMMARY
AS OF SEPTEMBER 2, 2014
CFD NO. 24**

<i>Tax Rate Zone/Overlapping District</i>	<i>Actual Fiscal Year 2014-15 Total Levy</i>	<i>Amount of Levy on Parcels in District</i>	<i>Percent on Levy on Parcels in District</i>	<i>Total Debt Outstanding⁽¹⁾</i>	<i>District Share of Total Debt Outstanding</i>
Tax Rate Zone 1					
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$ 10,658 ⁽²⁾	0.1003%	\$138,110,000	\$ 138,470
City of Riverside G.O. Bonds	1,444,251	1,257 ⁽²⁾	0.0870	13,395,000	11,660
Metropolitan Water District G.O. Bonds	100,066,262	703 ⁽²⁾	0.0007	132,275,000	929
Riverside City Community College G.O. Bonds	<u>14,174,770</u>	<u>3,597⁽²⁾</u>	<u>0.0254</u>	<u>227,097,323⁽³⁾</u>	<u>57,627</u>
Subtotal - Tax Rate Zone 1	\$ 126,315,751	\$ 16,215	0.2134%	\$510,877,323	\$ 208,687
Tax Rate Zone 2					
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$ 15,951 ⁽²⁾	0.1501%	\$138,110,000	\$ 207,236
City of Riverside G.O. Bonds	1,444,251	1,882 ⁽²⁾	0.1303	13,395,000	17,451
Metropolitan Water District G.O. Bonds	100,066,262	1,052 ⁽²⁾	0.0011	132,275,000	1,391
Riverside City Community College G.O. Bonds	<u>14,174,770</u>	<u>5,383⁽²⁾</u>	<u>0.0380</u>	<u>227,097,323⁽³⁾</u>	<u>86,245</u>
Subtotal - Tax Rate Zone 2	\$ 126,315,751	\$ 24,268	0.3194%	\$510,877,323	\$ 312,323
Tax Rate Zone 3					
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$ 3,148 ⁽²⁾	0.0296%	\$138,110,000	\$ 40,899
City of Riverside G.O. Bonds	1,444,251	371 ⁽²⁾	0.0257	13,395,000	3,444
Metropolitan Water District G.O. Bonds	100,066,262	208 ⁽²⁾	0.0002	132,275,000	274
Riverside City Community College G.O. Bonds	<u>14,174,770</u>	<u>1,062⁽²⁾</u>	<u>0.0075</u>	<u>227,097,323⁽³⁾</u>	<u>17,021</u>
Subtotal - Tax Rate Zone 3	\$ 126,315,751	\$ 4,789	0.0630%	\$510,877,323	\$ 61,639
Estimated Share of Overlapping Debt Allocable to the District					\$ 582,648
Series 2014 Refunding CFD No. 24 Bonds (Tax Rate Zone 1)					\$ 1,852,290 ⁽⁴⁾
Series 2014 Refunding CFD No. 24 Bonds (Tax Rate Zone 2)					2,792,790 ⁽⁴⁾
Series 2014 Refunding CFD No. 24 Bonds (Tax Rate Zone 3)					<u>304,920⁽⁴⁾</u>
Plus the Series 2014 Refunding CFD No. 24 Bonds (Total)					<u>\$ 4,950,000*</u>
Estimated Share of Direct and Overlapping Debt Allocable to the District					\$ 5,532,648*

* Preliminary, subject to change.

(1) As of September 2, 2014. Principal for City of Riverside GO Bonds and Community College Bonds is made on August 1 of each year. Principal for MWD GO Bonds is made on March 1 of each year. All other districts pay principal on September 1 of each year.

(2) Estimated Fiscal Year 2014-15 levy. Calculated by multiplying the Fiscal Year 2014-15 *ad valorem* rate by the Fiscal Year 2014-15 net assessed value.

(3) Includes 2014 GO Refunding Bonds, Series A & B, issued May 29, 2014.

(4) Allocations to each Tax Zone are based on the Rate and Method of Apportionment.

Source: David Taussig & Associates, Inc.

* Preliminary, subject to change.

Value-to-Lien Ratios. The total assessed values of all of the taxable property in CFD No. 24, as determined by the County Assessor for Fiscal Year 2014-15, is \$110,879,495. The direct and overlapping land secured special tax, assessment and general obligation bonded indebtedness within CFD No. 24 as of September 2, 2014 was approximately \$5,532,648*. The assessed value-to-lien ratio of the property within CFD No. 24, based on the Fiscal Year 2014-15 assessed values, the aggregate principal amount of the CFD No. 24 Bonds and the estimated direct and overlapping land secured special tax, and assessment and general obligation bonded indebtedness within CFD No. 24 is approximately 10.56-to-1*. The following table summarizes the assessed value-to-lien ratios within CFD No. 24 by tax zone and owner.

* Preliminary, subject to change.

**TABLE 51
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS
CFD NO. 24**

<i>Tax Rate Zone/Owner⁽¹⁾</i>	<i>Tax Zone Allocation⁽²⁾</i>	<i>Number of Parcels</i>	<i>CFD No. 24 Outstanding Bond Amount^{(4)*}</i>	<i>RUSD GO Outstanding Bond Amount⁽⁵⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽⁵⁾</i>	<i>MWD GO Outstanding Bond Amount⁽⁵⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽⁵⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁶⁾</i>	<i>Value-to-Lien Ratio *</i>
Tax Rate Zone 1										
California Baptist University	3.07% ⁽³⁾	8	\$ 151,846 ⁽³⁾	\$ 9,868	\$ 831	\$ 66	\$ 4,107	\$ 166,719	\$ 1,651,276	9.90
Individual Owners	<u>34.35⁽³⁾</u>	<u>90</u>	<u>1,700,444⁽³⁾</u>	<u>128,602</u>	<u>10,829</u>	<u>863</u>	<u>53,520</u>	<u>1,894,258</u>	<u>18,864,787</u>	<u>9.96</u>
	37.42%	98	\$ 1,852,290	\$ 138,470	\$ 11,660	929	\$ 57,627	\$ 2,060,977	\$ 20,516,063	9.95
Tax Rate Zone 2										
Regents of the University of California	2.64% ⁽³⁾	6	\$ 130,530 ⁽³⁾	\$ 0	\$ 0	\$ 0	\$ 0	\$ 130,530	\$ 1,673,380	12.82
Individual Owners	<u>53.78⁽³⁾</u>	<u>117</u>	<u>2,662,260⁽³⁾</u>	<u>207,236</u>	<u>17,451</u>	<u>1,391</u>	<u>86,245</u>	<u>2,974,583</u>	<u>30,259,844</u>	<u>10.17</u>
	56.42%	123	\$ 2,792,790	\$ 207,236	\$ 17,451	\$ 1,391	\$ 86,245	\$ 3,105,113	\$ 31,933,224	10.28
Tax Rate Zone 3										
Individual Owners	<u>6.16%</u>	<u>8</u>	<u>\$ 304,920</u>	<u>\$ 40,899</u>	<u>\$ 3,444</u>	<u>\$ 274</u>	<u>\$ 17,021</u>	<u>\$ 366,559</u>	<u>\$ 5,980,921</u>	<u>16.32</u>
Total	100.00%	229	\$ 4,950,000	\$ 386,606	\$ 32,555	\$ 2,594	\$ 160,893	\$ 5,532,648	\$ 58,430,208	10.56

* Preliminary, subject to change.

(1) Based on ownership as of January 1, 2014 provided by the Riverside County Assessor.

(2) Based on the Rate and Method of Apportionment.

(3) Allocation to property owners based on share of Fiscal Year 2014-15 special tax levy for Tax Zone 2.

(4) Allocations to each Tax Zone are based on the Rate and Method of Apportionment.

(5) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(6) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Value-to-lien Ratios by Range. The following table summarizes the assessed value-to-lien ratios within CFD No. 24 by value-to-lien range.

**TABLE 52
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS BY RANGES
CFD NO. 24**

<i>Value-to-Lien Range</i>	<i>Number of Residential Units</i>	<i>CFD No. 24 Outstanding Bond Amount^{(1)*}</i>	<i>Percent of Total CFD No. 24 Outstanding Bond Amount*</i>	<i>RUSD GO Outstanding Bond Amount⁽²⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽²⁾</i>	<i>MWD GO Outstanding Bond Amount⁽²⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽²⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽³⁾</i>	<i>Percent of Total Fiscal Year 2014-15 Assessed Value*</i>	<i>Value-to-Lien Ratio*</i>
0.00-4.99	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.00%	NA
5.00-9.99	83	1,661,620	33.57	111,913	9,424	751	46,575	1,830,282	16,336,477	27.96	8.93
10.00-14.99	140	3,062,963	61.88	242,012	20,379	1,624	100,718	3,427,696	37,318,799	63.87	10.89
15.00-19.99	6	225,417	4.55	32,681	2,752	219	13,601	274,670	4,774,932	8.17	17.38
20.00 or Greater	<u>0</u>	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00</u>	<u>NA</u>
Total	229	\$ 4,950,000	100.00%	\$ 386,606	\$ 32,555	\$ 2,594	\$ 160,893	\$ 5,532,648	\$ 58,430,208	100.00%	10.56

* Preliminary, subject to change.

(1) Allocations to each Tax Zone are based on the Rate and Method of Apportionment. Allocation within each Tax Zone based on share of Fiscal Year 2014-15 special tax levy.

(2) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(3) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Sample Tax Bill. The following tables show the projected total effective tax rate for sample residential parcels in CFD No. 24, based on the average square footage of the homes located on such parcels and other characteristics described in the tables.

TABLE 53A
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 09-002, 09-156
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥1,600 SF)
CFD NO. 24, TAX ZONE 1

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
\$224,293			
Average Unit Size for Developed Property ⁽²⁾	1,693 Square Feet		
Average Lot Size for Developed Property ⁽³⁾	2,212 Square Feet		
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,242.93	
City of Riverside G.O. Bonds	0.00626	14.04	
Metropolitan Water District G.O. Bonds	0.00350	7.85	
Riverside Unified School District G.O. Bonds	0.05307	119.03	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>40.17</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,424.03	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 1.14	
City of Riverside Lighting District ⁽⁶⁾		27.60	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 - Riverside Stormwater ⁽⁸⁾		6.80	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 24 ⁽¹¹⁾		<u>1,486.64</u>	<u>\$ 2,550.33</u>
Total Assessments and Parcel Charges		\$ 1,560.10	\$ 2,614.09
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 3,984.13</u>	<u>\$ 5,038.12</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.77630%	2.24622%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 26 Tax Class 1 units in CFD No. 24, Tax Zone 1 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 26 Tax Class 1 units in CFD No. 24, Tax Zone 1.

⁽³⁾ Based on the average lot size for 26 Tax Class 1 units in CFD No. 24, Tax Zone 1.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$27.60 per benefit unit for condominiums, apartments, and mobile homes. The rate does not increase.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.

⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 24, Tax Zone 1 Fiscal Year 2014-15 actual Special Tax rate of \$1,486.64 per unit for Tax Class 1 property. Assigned Special Tax rate is \$2,550.33 per unit for Tax Class 1 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 53B
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 09-002, 09-156
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 2 (1,300-1,599 SF)
CFD NO. 24, TAX ZONE 1

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
\$212,908			
Average Unit Size for Developed Property ⁽²⁾			
1,424 Square Feet			
Average Lot Size for Developed Property ⁽³⁾			
2,088 Square Feet			
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,129.08	
City of Riverside G.O. Bonds	0.00626	13.33	
Metropolitan Water District G.O. Bonds	0.00350	7.45	
Riverside Unified School District G.O. Bonds	0.05307	112.99	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>38.13</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,300.98	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 1.08	
City of Riverside Lighting District ⁽⁶⁾		27.60	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 - Riverside Stormwater ⁽⁸⁾		6.80	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 24 ⁽¹¹⁾		<u>1,359.16</u>	<u>\$ 2,331.63</u>
Total Assessments and Parcel Charges		\$ 1,432.56	\$ 2,395.33
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 3,733.54</u>	 <u>\$ 4,696.31</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 1.75359%	 2.20579%

- ⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 63 Tax Class 2 units in CFD No. 24, Tax Zone 1 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- ⁽²⁾ Based on the average unit size for 63 Tax Class 2 units in CFD No. 24, Tax Zone 1.
- ⁽³⁾ Based on the average lot size for 63 Tax Class 2 units in CFD No. 24, Tax Zone 1.
- ⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.
- ⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- ⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$27.60 per benefit unit for condominiums, apartments, and mobile homes. The rate does not increase.
- ⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- ⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.
- ⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.
- ⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.
- ⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 24, Tax Zone 1 Fiscal Year 2014-15 actual Special Tax rate of \$1,359.16 per unit for Tax Class 2 property. Assigned Special Tax rate is \$2,331.63 per unit for Tax Class 2 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 53C
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 09-002, 09-156
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥2,001 SF)
CFD NO. 24, TAX ZONE 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
Average Unit Size for Developed Property ⁽²⁾	2,102 Square Feet		
Average Lot Size for Developed Property ⁽³⁾	4,126 Square Feet		
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,924.04	
City of Riverside G.O. Bonds	0.00626	18.20	
Metropolitan Water District G.O. Bonds	0.00350	10.23	
Riverside Unified School District G.O. Bonds	0.05307	155.18	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>52.37</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 3,160.13	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 2.13	
City of Riverside Lighting District ⁽⁶⁾		27.60	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 - Riverside Stormwater ⁽⁸⁾		6.80	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 24 ⁽¹¹⁾		<u>1,660.36</u>	<u>\$ 3,088.12</u>
Total Assessments and Parcel Charges		\$ 1,734.81	\$ 3,152.87
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 4,894.94</u>	<u>\$ 6,313.00</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.67403%	2.15900%

- ⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 36 Tax Class 1 units in CFD No. 24, Tax Zone 2 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- ⁽²⁾ Based on the average unit size for 36 Tax Class 1 units in CFD No. 24, Tax Zone 2.
- ⁽³⁾ Based on the average lot size for 36 Tax Class 1 units in CFD No. 24, Tax Zone 2.
- ⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.
- ⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- ⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$27.60 per benefit unit for condominiums, apartments, and mobile homes. The rate does not increase.
- ⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- ⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.
- ⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.
- ⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.
- ⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 24, Tax Zone 1 Fiscal Year 2014-15 actual Special Tax rate of \$1,660.36 per unit for Tax Class 1 property. Assigned Special Tax rate is \$3,088.12 per unit for Tax Class 1 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 53D
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 09-002, 09-156
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 3 (1,500-1,800 SF)
CFD NO. 24, TAX ZONE 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
\$238,438			
Average Unit Size for Developed Property ⁽²⁾			
1,620 Square Feet			
Average Lot Size for Developed Property ⁽³⁾			
3,065 Square Feet			
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,384.38	
City of Riverside G.O. Bonds	0.00626	14.93	
Metropolitan Water District G.O. Bonds	0.00350	8.35	
Riverside Unified School District G.O. Bonds	0.05307	126.54	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>42.70</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,576.89	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 1.58	
City of Riverside Lighting District ⁽⁶⁾		27.60	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 - Riverside Stormwater ⁽⁸⁾		6.80	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 24 ⁽¹¹⁾		<u>1,452.82</u>	<u>\$ 2,702.10</u>
Total Assessments and Parcel Charges		\$ 1,526.72	\$ 2,766.30
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 4,103.62</u>	 <u>\$ 5,343.20</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 1.72104%	 2.24092%

- ⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 28 parcels owned by individual owners in Tax Class 3 units in CFD No. 24, Tax Zone 2 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- ⁽²⁾ Based on the average unit size for 28 parcels owned by individual owners in Tax Class 3 units in CFD No. 24, Tax Zone 2.
- ⁽³⁾ Based on the average lot size for 28 parcels owned by individual owners in Tax Class 3 units in CFD No. 24, Tax Zone 2.
- ⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.
- ⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- ⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$27.60 per benefit unit for condominiums, apartments, and mobile homes. The rate does not increase.
- ⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- ⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.
- ⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.
- ⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.
- ⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 24, Tax Zone 1 Fiscal Year 2014-15 actual Special Tax rate of \$1,452.82 per unit for Tax Class 3 property. Assigned Special Tax rate is \$2,702.10 per unit for Tax Class 3 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 53E
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 09-002, 09-156
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (>3,800 SF)
CFD NO. 24, TAX ZONE 3

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
\$778,476			
Average Unit Size for Developed Property ⁽²⁾ :	4,014 Square Feet		
Average Lot Size for Developed Property ⁽³⁾	80,275 Square Feet		
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 7,784.76	
City of Riverside G.O. Bonds	0.00626	48.73	
Metropolitan Water District G.O. Bonds	0.00350	27.25	
Riverside Unified School District G.O. Bonds	0.05307	413.14	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>139.43</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 8,413.30	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 4.38	
City of Riverside Lighting District ⁽⁶⁾		27.60	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 - Riverside Stormwater ⁽⁸⁾		6.80	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 24 ⁽¹¹⁾		<u>2,602.12</u>	<u>\$ 5,149.65</u>
Total Assessments and Parcel Charges		\$ 2,678.82	\$ 5,216.65
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 11,092.12</u>	 <u>\$ 13,629.95</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 1.42485%	 1.75085%

- (1) Based on average net assessed value plus \$7,000 homeowner's exemption for 7 Tax Class 1 units in CFD No. 24, Tax Zone 3 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- (2) Based on the average unit size for 7 Tax Class 1 units in CFD No. 24, Tax Zone 3.
- (3) Based on the average lot size for 7 Tax Class 1 units in CFD No. 24, Tax Zone 3.
- (4) Actual Fiscal Year 2014-15 *ad valorem* rates.
- (5) Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- (6) Based on the Fiscal Year 2014-15 rate of \$27.60 per benefit unit for condominiums, apartments, and mobile homes. The rate does not increase.
- (7) Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- (8) Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.
- (9) Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.
- (10) Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.
- (11) Based on the Riverside Unified School District CFD No. 24, Tax Zone 1 Fiscal Year 2014-15 actual Special Tax rate of \$2,602.12 per unit for Tax Class 1 property. Assigned Special Tax rate is \$5,149.65 per unit for Tax Class 1 property. The Assigned Special Tax rate does not escalate.
- Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in CFD No. 24 for Fiscal Year 2009-10 through Fiscal Year 2013-14.

**TABLE 54
SPECIAL TAX DELINQUENCY HISTORY
FISCAL YEARS 2009-10 THROUGH 2013-14
CFD NO. 24**

<i>Fiscal Year</i>	<i>Total Amount Levied</i>	<i>Total Number of Parcels Levied⁽¹⁾</i>	<i>Total Delinquent Special Taxes at Fiscal Year End⁽²⁾</i>	<i>Delinquency Rate at Fiscal Year End</i>	<i>Total Number of Parcels Delinquent as of 11/3/2014</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
2009-10	\$389,525	229	\$36,446	9.36%	0	\$ 0	0.00%
2010-11	370,050	229	13,028	3.52	1	744	0.20
2011-12	333,045	229	6,850	2.06	1	1,340	0.40
2012-13	328,699	229	6,942	2.11	0	0	0.00
2013-14	335,273	229	10,439	3.11	2	1,395	0.42

⁽¹⁾ Includes six parcels owned by the “Regents of University of California” for which special taxes are billed directly and payable to Riverside Unified School District.

⁽²⁾ Amount delinquent as of June 30 of the fiscal year in which special taxes were levied.

Source: David Taussig & Associates, Inc.

APPENDIX B
SUMMARY OF PRINCIPAL LEGAL DOCUMENTS

[TO COME FROM BOND COUNSEL]

APPENDIX C

SUPPLEMENTAL INFORMATION CONCERNING RIVERSIDE UNIFIED SCHOOL DISTRICT

The information and expressions of opinion set forth in this Appendix C have been obtained from sources believed to be reliable, but such information is not guaranteed as to accuracy or completeness. Statements contained in this Appendix C which involve estimates, forecasts, or matters of opinion, whether or not expressly so described in this Appendix C, are intended solely as such and are not to be construed as representations of facts. The information and expressions of opinion in this Appendix C are subject to change without notice, and neither delivery of this Official Statement nor any sale thereafter of the securities offered by this Official Statement shall under any circumstances create any implication that there has been no change in the affairs of the School District or in any other information contained in the Official Statement since the date of the Official Statement.

General

The City of Riverside (the “City”) is the county seat of the County of Riverside (the “County”) and is located in the western portion of the County about 60 miles east of downtown Los Angeles and approximately 90 miles north of San Diego. Within 20 miles of the City are the cities of San Bernardino, Loma Linda, Corona, Norco, Fontana, Ontario, Rialto, Colton, Moreno Valley and Redlands, among others. These cities and the City are located in the County and the County of San Bernardino and comprise the Riverside-San Bernardino-Ontario Metropolitan Statistical Area (the “MSA”). The MSA represents an important economic area of the State and of Southern California. It lies to the west and south respectively of the strategic San Geronimo and Cajon Passes, from which three transcontinental railroads and interstate highways converge to connect the Los Angeles area with the other areas of the nation. The City is situated in close proximity to the metropolitan centers of Los Angeles and Orange Counties.

The County and San Bernardino County cover 27,400 square miles, a land area larger than the State of Virginia. With a population of over 3.2 million, the area ranks as one of the largest MSAs in the United States. The County alone is larger than the State of New Jersey. The MSA, though small geographically in relation to the bi-county area, contains most of the two counties’ population.

Population

The following table offers population figures for the City, the County and the State for 2010 through 2014.

Area	2010	2011	2012	2013	2014
City of Riverside	302,597	306,069	309,409	312,035	314,034
County of Riverside	2,179,692	2,205,731	2,234,209	2,255,653	2,279,967
State of California	37,223,900	37,427,946	37,668,804	37,984,138	38,340,074

Source: *State of California, Department of Finance, E-4 Population Estimates for Cities, Counties and the State, 2011-2014 with 2010 Census Benchmark.* Sacramento, California, May 2014

State of California, Department of Finance, E-4 Population Estimates for Cities, Counties and State, 2001-2010, with 2000 & 2010 Census Counts. Sacramento, California, November 2012

Construction Activity

The following tables show building permit valuations and new housing units in the City and the County for 2009 through 2013.

CITY OF RIVERSIDE Building Permit Valuation and New Housing Units

	2009	2010	2011	2012	2013
Residential					
Single Family	\$ 15,420,400	\$ 27,882,400	\$ 8,676,183	\$ 48,826,193	\$ 18,687,048
Multi-Family	1,711,300	23,278,400	26,763,741	15,419,047	4,442,191
Alteration/Additions	<u>6,812,300</u>	<u>7,603,400</u>	<u>8,049,228</u>	<u>9,099,847</u>	<u>7,516,866</u>
Total	<u>\$ 23,944,000</u>	<u>\$ 58,764,200</u>	<u>\$ 43,489,152</u>	<u>\$ 73,345,087</u>	<u>\$ 30,646,105</u>
Non-Residential					
New Commercial	\$ 16,667,400	\$ 42,753,600	\$ 14,817,909	\$ 0	\$ 29,511,234
New Industry	0	0	0	1,541,485	1,638,334
Other ⁽¹⁾	7,370,900	9,051,800	17,708,403	44,862,444	24,871,078
Alteration/Additions	<u>21,845,000</u>	<u>35,463,300</u>	<u>57,824,225</u>	<u>6,602,663</u>	<u>59,540,378</u>
Total	<u>\$ 45,883,300</u>	<u>\$ 87,268,700</u>	<u>\$ 90,350,537</u>	<u>\$ 53,006,592</u>	<u>\$ 115,561,024</u>
Total All Industry	<u>\$ 69,827,300</u>	<u>\$ 146,032,900</u>	<u>\$ 133,839,689</u>	<u>\$ 126,351,679</u>	<u>\$ 146,207,129</u>
New Housing Units					
Single Family Units	56	107	43	193	70
Multi-Family Units	<u>23</u>	<u>266</u>	<u>236</u>	<u>168</u>	<u>51</u>
Total	<u>79</u>	<u>373</u>	<u>279</u>	<u>361</u>	<u>121</u>

⁽¹⁾ Includes churches and religious building, hospitals and institutional buildings, schools and educational buildings, residential garages, public works and utilities buildings and non-residential alterations and additions.

⁽²⁾ May not add up due to rounding.

Source: Construction Industry Research Board.

COUNTY OF RIVERSIDE
Building Permit Valuation and New Housing Units

	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>
<u>Residential</u>					
Single Family	\$ 892,790,000	\$ 914,057,400	\$ 647,070,800	\$ 904,156,201	\$ 1,138,738,066
Multi-Family	75,756,100	71,151,900	113,170,385	87,878,567	138,636,043
Alteration/Additions	<u>85,148,000</u>	<u>94,427,500</u>	<u>119,707,512</u>	<u>87,370,464</u>	<u>98,219,314</u>
Total	<u>\$1,053,694,100</u>	<u>\$ 1,079,636,800</u>	<u>\$ 879,948,697</u>	<u>\$ 1,079,405,232</u>	<u>\$ 1,375,593,423</u>
<u>Non-Residential</u>					
New Commercial	\$ 94,651,400	\$ 191,323,700	\$ 150,711,906	\$ 347,167,537	\$ 162,377,652
New Industry	12,277,600	6,685,500	10,000,000	26,432,539	141,184,434
Other ⁽¹⁾	107,332,100	98,104,600	101,340,709	112,731,771	116,935,986
Alteration/Additions	<u>162,557,500</u>	<u>243,265,500</u>	<u>297,356,408</u>	<u>171,263,206</u>	<u>369,502,364</u>
Total	<u>\$ 376,818,700</u>	<u>\$ 539,379,400</u>	<u>\$ 559,409,023</u>	<u>\$ 657,595,053</u>	<u>\$ 790,000,436</u>
<u>Total All Industry</u>	<u>\$1,430,516,000</u>	<u>\$ 1,619,019,000</u>	<u>\$ 1,439,357,720</u>	<u>\$ 1,737,000,285</u>	<u>\$ 2,165,593,859</u>
<u>New Housing Units</u>					
Single Family Units	3,431	4,031	2,659	3,720	4,716
Multi-Family Units	<u>759</u>	<u>526</u>	<u>1,061</u>	<u>909</u>	<u>1,427</u>
Total	<u>4,190</u>	<u>4,557</u>	<u>3,720</u>	<u>4,629</u>	<u>6,143</u>

⁽¹⁾ Includes churches and religious building, hospitals and institutional buildings, schools and educational buildings, residential garages, public works and utilities buildings and non-residential alterations and additions.

⁽²⁾ May not add up due to rounding.

Source: Construction Industry Research Board.

Employment

The following table sets forth the major employers located in the County in 2013.

LARGEST EMPLOYERS

<i>Rank</i>	<i>Name of Business</i>	<i>No. of Employees in Riverside County</i>	<i>Type of Business</i>
1	County of Riverside	20,808	County Government
2	March Air Reserve Base	8,500	Military Reserve Base
3	Stater Bros. Markets	6,900	Supermarkets
4	University of California, Riverside	5,514	University
5	Kaiser Permanente Riverside Medical Center	5,270	Hospital
6	Pechanga Resort & Casino	4,500	Casino & Resort
7	Corona Norco Unified School District	4,300	School District
8	Wal-Mart	4,068	Retailer
9	Riverside Unified School District	4,000	School District
10	Hemet Unified School District	3,572	School District
11	Moreno Valley Unified School District	3,345	School District
12	Morongo Casino, Resort & Spa	2,925	Casino & Resort
13	Temecula Valley Unified School District	2,600	School District
14	City of Riverside	2,500	City Government
15	Eisenhower Medical Center	2,480	Hospital
16	Lake Elsinore Unified School District	2,473	School District
17	Agua Caliente Band of Cahuilla Indians	2,402	Tribal Government/Casinos
18	Desert Sands Unified School District	2,366	School District
19	Palm Springs Unified School District	2,325	School District
20	Murrieta Valley Unified School District	2,044	School District
21	Jurupa Unified School District	2,025	School District
22	Abbot Vascular	2,000	Medical & Surgical Instruments Manufacturer
23	Riverside Community Hospital	1,943	Hospital
24	Riverside Community College District	1,880	Community College District
25	Riverside County Office of Education	1,700	Education

Source: Information gathered by Riverside County Economic Development Agency from employers listed websites and public records. 2013.

Employment and Industry

The following table represents the estimated Annual Average Labor Force and Industry Employment for the County for the period from 2009 through 2013.

COUNTY OF RIVERSIDE Industry Employment & Labor Force - by Annual Average March 2013 Benchmark

	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>
<u>Nonfarm Industries</u>					
<u>Goods Producing</u>					
Natural Resources and Mining	500	400	400	400	300
Construction	40,400	35,400	34,100	35,200	42,400
Manufacturing	<u>39,000</u>	<u>37,900</u>	<u>38,600</u>	<u>39,500</u>	<u>39,100</u>
Total Goods Producing	79,900	73,700	73,100	75,100	81,800
<u>Service Providing</u>					
Trade, Transportation and Utilities	117,200	117,000	121,500	122,800	128,300
Information	8,500	10,200	7,600	6,300	6,200
Financial Activities	20,700	19,300	18,600	19,300	20,000
Professional and Business Services	53,600	50,300	52,200	53,900	57,400
Educational and Health Services	68,300	67,800	70,700	76,100	83,000
Leisure and Hospitality	68,700	67,700	68,900	72,200	75,800
Other Services	18,100	18,300	18,800	19,200	20,000
Government	<u>109,300</u>	<u>109,200</u>	<u>114,200</u>	<u>112,100</u>	<u>111,200</u>
Total Service Providing	464,400	459,800	472,400	482,300	502,000
Total Nonfarm Industries⁽¹⁾	<u>544,300</u>	<u>533,400</u>	<u>545,500</u>	<u>558,200</u>	<u>583,800</u>
Total Farm Industry	<u>12,400</u>	<u>12,400</u>	<u>12,400</u>	<u>12,900</u>	<u>12,400</u>
Total, All Industries⁽²⁾	<u>556,700</u>	<u>545,800</u>	<u>557,900</u>	<u>570,700</u>	<u>596,200</u>

⁽¹⁾ Total of Goods Producing and Service Providing Industries.

⁽²⁾ Total of Nonfarm and Farm Industries.

Source: State of California Employment Development Department.

The following table summarizes the labor force, employment and unemployment figures for the years 2008 through 2013 for the City, the County, the State and the nation as a whole.

**CITY OF RIVERSIDE, COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA AND UNITED STATES
Average Annual Civilian Labor Force, Employment and Unemployment**

<i>Year and Area</i>	<i>Labor Force</i>	<i>Employment</i> ⁽¹⁾	<i>Unemployment</i> ⁽²⁾	<i>Unemployment Rate (%)</i> ⁽³⁾
2008				
City of Riverside	160,500	146,700	13,800	8.6%
Riverside County	912,900	835,200	77,800	8.5
California	18,207,300	16,893,900	1,313,500	7.2
United States ⁽⁴⁾	154,287,000	145,362,000	8,924,000	5.8
2009				
City of Riverside	161,300	139,500	21,800	13.5%
Riverside County	917,100	794,400	122,800	13.4
California	18,220,100	16,155,000	2,065,100	11.3
United States ⁽⁴⁾	154,142,000	139,877,000	14,265,000	9.3
2010				
City of Riverside	165,100	140,900	24,200	14.6%
Riverside County	939,500	803,300	136,200	14.5
California	18,336,300	16,068,400	2,267,900	12.4
United States ⁽⁴⁾	153,889,000	139,064,000	14,825,000	9.6
2011				
City of Riverside	165,300	142,400	22,900	13.9%
Riverside County	942,200	812,800	129,400	13.7
California	18,417,900	16,249,600	2,168,300	11.8
United States ⁽⁴⁾	153,617,000	139,869,000	13,747,000	8.9
2012				
City of Riverside	166,100	145,600	20,500	12.3%
Riverside County	950,600	935,200	115,400	12.1
California	18,519,000	16,589,700	1,929,300	10.4
United States ⁽⁴⁾	154,975,000	142,469,000	12,506,000	8.8
2013				
City of Riverside	167,600	150,300	17,400	10.4%
Riverside County	953,200	855,300	97,900	10.3
California	18,596,800	16,933,300	1,663,500	8.9
United States ⁽⁴⁾	155,389,000	143,929,000	11,460,000	7.4

(1) Includes persons involved in labor-management trade disputes.

(2) Includes all persons without jobs who are actively seeking work.

(3) The unemployment rate is computed from unrounded data; therefore, it may differ from rates computed from rounded figures in this table.

(4) Not strictly comparable with data for prior years.

Source: California Employment Development Department and U.S. Department of Labor, Bureau of Labor Statistics.

Personal Income

Personal Income is the income that is received by all persons from all sources. It is calculated as the sum of wage and salary disbursements, supplements to wages and salaries, proprietors' income with inventory valuation and capital consumption adjustments, rental income of persons with capital consumption adjustment,

personal dividend income, personal interest income, and personal current transfer receipts, less contributions for government social insurance.

The personal income of an area is the income that is received by, or on behalf of, all the individuals who live in the area; therefore, the estimates of personal income are presented by the place of residence of the income recipients.

PERSONAL INCOME
Riverside County
2003-2013
(Dollars in Thousands)

<i>Year</i>	<i>Riverside County</i>	<i>Annual Percent Change</i>
2003	\$47,545,905	8.3%
2004	51,506,970	8.3
2005	55,776,492	8.3
2006	60,993,887	9.35
2007	64,062,308	5.03
2008	64,995,060	1.5
2009	63,184,275	(2.8)
2010	65,107,626	3.0
2011	69,522,078	6.8
2012	72,015,057	3.6
2013	(1)	--

(1) County data not yet available.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

The following tables summarizes per capita personal income for Riverside County, California and the United States for 2003-2013. This measure of income is calculated as the personal income of the residents of the area divided by the resident population of the area.

PER CAPITA PERSONAL INCOME
Riverside County, State of California and the United States
2003-2013

<i>Year</i>	<i>Riverside County</i>	<i>California</i>	<i>United States</i>
2003	\$26,837	\$35,303	\$32,677
2004	27,743	37,156	34,300
2005	28,873	38,964	35,888
2006	30,309	41,623	38,127
2007	30,871	43,152	39,804
2008	30,808	43,608	40,873
2009	29,433	41,587	39,379
2010	29,563	42,282	40,144
2011	31,074	44,749	42,332
2012	31,742	47,505	44,200
2013	(1)	48,434	44,765

(1) County data not yet available.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Retail Sales

The table below presents the County's retail permits and transactions for the years 2005 through the second quarter of 2013.

COUNTY OF RIVERSIDE Taxable Transactions For Years 2008 through 2013 (in Thousands)

	<i>Retail Permits</i>	<i>Retail Stores Taxable Transactions</i>	<i>Total Permits</i>	<i>Total Outlets Taxable Transactions</i>
2008	23,604	\$18,689,249	46,272	\$26,003,595
2009	29,829	16,057,488	42,765	22,227,877
2010	32,534	16,919,500	45,688	23,152,780
2011	33,398	18,576,285	46,886	25,641,497
2012	34,683	20,016,668	48,316	28,096,009
2013 ⁽¹⁾	33,391	\$10,515,764	46,805	14,760,926

⁽¹⁾ Second Quarter only.

Source: California State Board of Equalization.

The table below presents the City's retail permits and transactions for the years 2005 through the first quarter of 2010.

CITY OF RIVERSIDE Taxable Transactions For Years 2008 through 2013 (in Thousands)

	<i>Retail Permits</i>	<i>Retail Stores Taxable Transactions</i>	<i>Total Permits</i>	<i>Total Outlets Taxable Transactions</i>
2008	3,889	3,209,083	7,578	4,093,218
2009	5,033	2,734,550	7,202	3,500,514
2010	5,690	2,889,292	7,907	3,692,302
2011	5,764	3,144,537	8,066	4,019,127
2012	6,196	3,348,220	8,484	4,238,975
2013 ⁽¹⁾	5,436	\$1,733,883	7,673	\$2,218,850

⁽¹⁾ Second Quarter only.

Source: California State Board of Equalization.

APPENDIX D

**RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES
FOR THE TAXING JURISDICTIONS**

APPENDIX A
INFORMATION REGARDING THE TAXING JURISDICTIONS

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**INSERT AREA MAP FOR
CFD NO. 10
(MAP 1)**

**INSERT AREA MAP FOR
CFD NO. 10
(MAP 2)**

CFD NO. 10

Location and Description. CFD No. 10 was formed by the School District in September 2002 to finance various public improvements needed to develop property located within CFD No. 10. CFD No. 10 (totaling approximately 27 acres) consists of two non-continuous parcels: 1) Tract No. 30028 consisting of approximately 17.87 acres is located in the northwest portion of the City of Riverside and 2) Tract No. 29170 consisting of approximately 9.15 acres is located in the unincorporated community known as Highgrove. CFD No. 10 includes 94 taxable parcels. CFD No. 10 is completely built out with 94 completed single family detached homes which have been conveyed to individual homeowners.

Assigned Special Taxes. The following table shows the Assigned Special Taxes and the actual Special Taxes that were levied on parcels of property in CFD No. 10 for Fiscal Year 2014-15 and the percentages of the total Special Tax levy. The final maturity of the CFD No. 10 Bonds is September 1, 2034.

**TABLE 1
FISCAL YEAR 2014-15 ASSIGNED AND ACTUAL SPECIAL TAXES
CFD NO. 10**

<i>Tax Rate Zone/ Property Classification/ Tax Class⁽¹⁾</i>	<i>Number of Units/Acres</i>	<i>Fiscal Year 2014-15 Assigned Special Tax per Unit/Acre⁽²⁾</i>	<i>Total Fiscal Year 2014-15 Assigned Special Tax</i>	<i>Fiscal Year 2014-15 Actual Special Tax per Unit/Acre</i>	<i>Fiscal Year 2014-15 Levy</i>	<i>Percent of Maximum Special Tax</i>
Tax Rate Zone A						
Developed Property						
Tax Class 1 (SFD ≥ 2,090 SF)	24 Units	\$ 2,096.40	\$ 50,313.60	\$ 1,099.82	\$ 26,395.68	52.46%
Tax Class 2 (SFD 1,950 - 2,089 SF)	20 Units	2,065.97	41,319.40	1,083.84	21,676.80	52.46
Tax Class 3 (SFD 1,800 - 1,949 SF)	20 Units	1,975.92	39,518.40	1,036.60	20,732.00	52.46
Tax Class 4 (SFD ≤ 1,799 SF)	<u>13 Units</u>	<u>1,864.32</u>	<u>24,236.16</u>	<u>978.06</u>	<u>12,714.78</u>	<u>52.46</u>
Subtotal - Tax Rate Zone A	77 Units	NA	\$ 155,387.56	NA	\$ 81,519.26	52.46%
Tax Rate Zone B						
Developed Property						
Tax Class 1 (SFD ≥ 2,350 SF)	5 Units	\$ 1,162.98	\$ 5,814.90	\$ 625.74	\$ 3,128.70	53.80%
Tax Class 2 (SFD 1,900 - 2,349 SF)	6 Units	1,023.47	6,140.82	550.68	3,304.08	52.80
Tax Class 3 (SFD ≤ 1,899 SF)	<u>6 Units</u>	<u>976.55</u>	<u>5,859.30</u>	<u>525.44</u>	<u>3,152.64</u>	<u>53.80</u>
Subtotal - Tax Rate Zone B	<u>17 Units</u>	<u>NA</u>	<u>\$ 17,815.02</u>	<u>NA</u>	<u>\$ 9,585.42</u>	<u>53.80%</u>
Total	94 Units	NA	\$ 173,202.58	NA	\$ 91,104.68	52.60%

⁽¹⁾ Classification pursuant to the Rate and Method of Apportionment.

⁽²⁾ The Assigned Special Tax rates increase by 2.00% per year.

Source: David Taussig & Associates, Inc.

For the complete text of the CFD No. 10 Rate and Method, see APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

Estimated Direct and Overlapping Indebtedness. Within the boundaries of CFD No. 10 are numerous overlapping local agencies providing public services. The only outstanding debt secured by a special tax or assessment on the parcels within CFD No. 10 is the Community Facilities District No. 10 of Riverside Unified School District 2005 Special Tax Bonds, Series A (the “Prior CFD No. 10 Bonds”). However, Table 2 below does not include the Prior CFD No. 10 Bonds and instead includes the \$1,140,000* aggregate principal amount of the Community Facilities District No. 10 of Riverside Unified School District, 2015 Special Tax Refunding Bonds (the “CFD No. 10 Bonds”) being issued to refund the Prior CFD No. 10 Bonds. In addition, there is \$249,871 outstanding principal amount of general obligation bonds allocable to CFD No. 10 based on the current assessed value of CFD No. 10 relative to the current assessed value within the boundaries of the applicable taxing jurisdiction issuing the general obligation bonds.

* Preliminary, subject to change.

**TABLE 2
DIRECT AND OVERLAPPING DEBT SUMMARY
AS OF SEPTEMBER 2, 2014
CFD NO. 10**

<i>Tax Rate Zone/Overlapping District</i>	<i>Actual Fiscal Year 2014-15 Total Levy</i>	<i>Amount of Levy on Parcels in District</i>	<i>Percent on Levy on Parcels in District</i>	<i>Total Debt Outstanding⁽¹⁾</i>	<i>District Share of Total Debt Outstanding</i>
Tax Rate Zone A					
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$ 10,097 ⁽²⁾	0.0950%	\$138,110,000	\$ 131,185
City of Riverside G.O. Bonds	1,444,251	1,191 ⁽²⁾	0.0825	13,395,000	11,047
Metropolitan Water District G.O. Bonds	100,066,262	666 ⁽²⁾	0.0007	132,275,000	880
Riverside City Community College G.O. Bonds	<u>14,174,770</u>	<u>3,408⁽²⁾</u>	<u>0.0240</u>	<u>227,097,323⁽³⁾</u>	<u>54,595</u>
Subtotal - Tax Rate Zone A	\$ 126,315,751	\$ 15,362	0.2022%	\$510,877,323	\$ 197,707
Tax Rate Zone B					
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$ 2,822 ⁽²⁾	0.0265%	\$138,110,000	\$ 36,661
Metropolitan Water District G.O. Bonds	100,066,262	186 ⁽²⁾	0.0002	132,275,000	246
Riverside City Community College G.O. Bonds	<u>14,174,770</u>	<u>952⁽²⁾</u>	<u>0.0067</u>	<u>227,097,323⁽³⁾</u>	<u>15,257</u>
Subtotal - Tax Rate Zone B	\$ 124,871,500	\$ 3,960	0.0334%	\$497,482,323	\$ 52,164
Estimated Share of Overlapping Debt Allocable to the District					\$ 249,871
Series 2014 Refunding CFD No. 10 Bonds (Tax Rate Zone A)					1,011,522 ⁽⁴⁾
Series 2014 Refunding CFD No. 10 Bonds (Tax Rate Zone B)					<u>128,478⁽⁴⁾</u>
Plus the Series 2014 Refunding CFD No. 10 Bonds					<u>\$ 1,140,000*</u>
Estimated Share of Direct and Overlapping Debt Allocable to the District					\$ 1,389,871*

* Preliminary, subject to change.

(1) As of September 2, 2014. Principal for City of Riverside GO Bonds and Community College Bonds is made on August 1 of each year. Principal for MWD GO Bonds is made on March 1 of each year. All other districts pay principal on September 1 of each year.

(2) Estimated Fiscal Year 2014-15 levy. Calculated by multiplying the Fiscal Year 2014-15 *ad valorem* rate by the Fiscal Year 2014-15 net assessed value.

(3) Includes 2014 GO Refunding Bonds, Series A & B, issued May 29, 2014.

(4) Allocations to each Tax Zone are based on the allocable share of debt service set forth in the Official Statement relating to the Prior CFD No. 10 Bonds.

Source: David Taussig & Associates, Inc.

Value-to-Lien Ratios. The total assessed values of all of the taxable property in CFD No. 10, as determined by the County Assessor for Fiscal Year 2014-15, is \$24,721,747. The direct and overlapping land secured special tax, assessment and general obligation bonded indebtedness within CFD No. 10 as of September 2, 2014 was approximately \$1,389,871*. The assessed value-to-lien ratio of the property within CFD No. 10, based on the Fiscal Year 2014-15 assessed values, the aggregate principal amount of the CFD No. 10 Bonds and the estimated direct and overlapping land secured special tax, and assessment and general obligation bonded indebtedness within CFD No. 10 is approximately 17.79-to-1*. The following table summarizes the assessed value-to-lien ratios within CFD No. 10 by tax zone and owner.

* Preliminary, subject to change.

**TABLE 3
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS
CFD NO. 10**

<i>Tax Rate Zone/Owner⁽¹⁾</i>	<i>Tax Zone Allocation⁽²⁾</i>	<i>Number of Parcels</i>	<i>CFD No. 10 Outstanding Bond Amount^{(3)*}</i>	<i>RUSD GO Outstanding Bond Amount⁽⁴⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽⁴⁾</i>	<i>MWD GO Outstanding Bond Amount⁽⁴⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽⁴⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁵⁾</i>	<i>Value-to-Lien Ratio*</i>
Tax Rate Zone A										
Individual Owners	88.73%	77	\$ 1,011,522	\$ 131,185	\$ 11,047	\$ 880	\$ 54,595	\$ 1,209,229	\$ 19,334,625	15.99
Tax Rate Zone B										
Individual Owners	<u>11.27</u>	<u>17</u>	<u>128,478</u>	<u>36,661</u>	<u>0</u>	<u>246</u>	<u>15,257</u>	<u>180,642</u>	<u>5,387,122</u>	<u>29.82</u>
Total	100.00%	94	\$ 1,140,000	\$ 167,845	\$ 11,047	\$ 1,126	\$ 69,852	\$ 1,389,871	\$ 24,721,747	17.79

* Preliminary, subject to change.

(1) Based on ownership as of January 1, 2014 provided by the Riverside County Assessor.

(2) Based on share of debt service per Series 2005 Official Statement.

(3) Allocations to each Tax Zone are based on share of debt service per Series 2005 Official Statement.

(4) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(5) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Value-to-lien Ratios by Range. The following table summarizes the assessed value-to-lien ratios within CFD No. 10 by value-to-lien range.

**TABLE 4
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS BY RANGES
CFD NO. 10**

<i>Value-to-Lien Range</i>	<i>Number of Residential Units</i>	<i>CFD No. 10 Outstanding Bond Amount^{(1)*}</i>	<i>Percent of Total CFD No. 10 Outstanding Bond Amount*</i>	<i>RUSD GO Outstanding Bond Amount⁽²⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽²⁾</i>	<i>MWD GO Outstanding Bond Amount⁽²⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽²⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽³⁾</i>	<i>Percent of Total Fiscal Year 2014-15 Assessed Value*</i>	<i>Value-to-Lien Ratio*</i>
0.00-4.99	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.00%	NA
5.00-9.99	0	0	0.00	0	0	0	0	0	0	0.00	NA
10.00-14.99	20	265,145	23.26	29,669	2,498	199	12,347	309,858	4,352,065	17.60	14.05
15.00-19.99	57	746,377	65.47	101,516	8,548	681	42,248	899,371	14,982,560	60.60	16.66
20.00 or Greater	<u>17</u>	<u>128,478</u>	<u>11.27</u>	<u>36,661</u>	<u>0</u>	<u>246</u>	<u>15,257</u>	<u>180,641</u>	<u>5,387,122</u>	<u>21.79</u>	<u>29.82</u>
Total	94	\$ 1,140,000	100.00%	\$ 167,845	\$ 11,047	\$ 1,126	\$ 69,852	\$ 1,389,871	\$ 24,721,747	100.00%	17.79

* Preliminary, subject to change.

⁽¹⁾ Allocations to each Tax Zone are based on share of debt service per Series 2005 Official Statement. Allocation within each Tax Zone based on share of Fiscal Year 2014-15 special tax levy.

⁽²⁾ Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

⁽³⁾ As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Sample Tax Bill. The following tables show the projected total effective tax rate for sample residential parcels in CFD No. 10, based on the average square footage of the homes located on such parcels and other characteristics described in the tables.

TABLE 5A
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 09-159
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥2,900 SF)
CFD NO. 10, TAX ZONE A

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
\$262,768			
Average Unit Size for Developed Property ⁽²⁾			
2,100 Square Feet			
Average Lot Size for Developed Property ⁽³⁾			
7,605 Square Feet			
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,627.68	
Metropolitan Water District G.O. Bonds	0.00350	9.20	
City of Riverside G.O. Bonds	0.00626	16.45	
Riverside Unified School District G.O. Bonds	0.05307	139.45	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>47.06</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,839.84	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.75	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		31.44	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 10, Tax Zone A ⁽¹¹⁾		<u>1,099.82</u>	<u>\$ 2,096.40</u>
Total Assessments and Parcel Charges		\$ 1,179.73	\$ 2,176.31
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 4,019.57</u>	<u>\$ 5,016.15</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.52970%	1.90897%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 24 Tax Class 1 units in CFD No. 10, Tax Zone A as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 24 Tax Class 1 units in CFD No. 10, Tax Zone A.

⁽³⁾ Based on the average lot size for 24 Tax Class 1 units in CFD No. 10, Tax Zone A.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit, and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$31.44 per benefit unit. The rate does not increase.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.

⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 10, Tax Zone A Fiscal Year 2014-15 actual Special Tax rate of \$1,099.82 per unit for Tax Class 1 property. Assigned Special Tax rate is \$2,096.40 per unit for Tax Class 1 property. The Assigned Special Tax rate escalates annually by 2%.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 5B
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 09-159
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 3 (1,800-1,949 SF)
CFD NO. 10, TAX ZONE A

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
Average Unit Size for Developed Property ⁽²⁾			
Average Lot Size for Developed Property ⁽³⁾			
<i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,444.44	
Metropolitan Water District G.O. Bonds	0.00350	8.56	
City of Riverside G.O. Bonds	0.00626	15.30	
Riverside Unified School District G.O. Bonds	0.05307	129.73	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>43.78</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,641.81	
<i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.75	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		31.44	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 10, Tax Zone A ⁽¹¹⁾		<u>1,036.60</u>	<u>\$ 1,975.92</u>
Total Assessments and Parcel Charges		\$ 1,116.51	\$ 2,055.83
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 3,758.32</u>	<u>\$ 4,697.64</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.53750%	1.92176%

- ⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 20 Tax Class 3 units in CFD No. 10, Tax Zone A as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- ⁽²⁾ Based on the average unit size for 20 Tax Class 3 units in CFD No. 10, Tax Zone A.
- ⁽³⁾ Based on the average lot size for 20 Tax Class 3 units in CFD No. 10, Tax Zone A.
- ⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.
- ⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- ⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit, and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.
- ⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- ⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$31.44 per benefit unit. The rate does not increase.
- ⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.
- ⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.
- ⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 10, Tax Zone A Fiscal Year 2014-15 actual Special Tax rate of \$1,036.60 per unit for Tax Class 3 property. Assigned Special Tax rate is \$1,975.92 per unit for Tax Class 3 property. The Assigned Special Tax rate escalates annually by 2%.
- Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 5C
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 88-001
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥2,350 SF)
CFD NO. 10, TAX ZONE B

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
\$343,968			
Average Unit Size for Developed Property ⁽²⁾			
2,584 Square Feet			
Average Lot Size for Developed Property ⁽³⁾			
20,560 Square Feet			
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 3,439.68	
Metropolitan Water District G.O. Bonds	0.00350	12.04	
Riverside Unified School District G.O. Bonds	0.05307	182.54	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>61.60</u>	
Total General Property Taxes and Overrides	1.07448%	\$ 3,695.87	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.86	
County Service Area 152 - NPDES ⁽⁶⁾		40.00	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 126E ⁽⁸⁾		120.00	
Riverside Unified School District CFD No. 10, Tax Zone B ⁽⁹⁾		<u>625.74</u>	<u>\$ 1,162.98</u>
Total Assessments and Parcel Charges		\$ 798.82	\$ 1,336.06
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 4,494.69</u>	 <u>\$ 5,031.93</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 1.30672%	 1.46291%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 5 Tax Class 1 units in CFD No. 10, Tax Zone B as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 5 Tax Class 1 units in CFD No. 10, Tax Zone B.

⁽³⁾ Based on the average lot size for 5 Tax Class 1 units in CFD No. 10, Tax Zone B.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$40.00 per benefit unit. The rate does not increase.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$120.00 per benefit unit. The rate does not increase.

⁽⁹⁾ Based on the Riverside Unified School District CFD No. 10, Tax Zone B Fiscal Year 2014-15 actual Special Tax rate of \$625.74 per unit for Tax Class 1 property. Assigned Special Tax rate is \$1,162.98 per unit for Tax Class 1 property. The Assigned Special Tax rate escalates annually by 2%.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 5D
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 88-001
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 3 (≤1,899 SF)
CFD NO. 10, TAX ZONE B

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾		\$297,715	
Average Unit Size for Developed Property ⁽²⁾		1,882 Square Feet	
Average Lot Size for Developed Property ⁽³⁾		20,691 Square Feet	
 <i>AD VALOREM</i> PROPERTY TAXES ⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,977.15	
Metropolitan Water District G.O. Bonds	0.00350	10.42	
Riverside Unified School District G.O. Bonds	0.05307	158.00	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>53.32</u>	
Total General Property Taxes and Overrides	1.07448%	\$ 3,198.88	
 ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.87	
County Service Area 152 - NPDES ⁽⁶⁾		40.00	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 126E ⁽⁸⁾		120.00	
Riverside Unified School District CFD No. 10, Tax Zone B ⁽⁹⁾		<u>525.44</u>	\$ 976.55
Total Assessments and Parcel Charges		\$ 698.53	\$ 1,149.64
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 3,897.41</u>	 <u>\$ 4,348.52</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 1.30911%	 1.46063%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 6 Tax Class 3 units in CFD No. 10, Tax Zone B as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 6 Tax Class 3 units in CFD No. 10, Tax Zone B.

⁽³⁾ Based on the average lot size for 6 Tax Class 3 units in CFD No. 10, Tax Zone B.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$40.00 per benefit unit. The rate does not increase.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$120.00 per benefit unit. The rate does not increase.

⁽⁹⁾ Based on the Riverside Unified School District CFD No. 10, Tax Zone B Fiscal Year 2014-15 actual Special Tax rate of \$525.44 per unit for Tax Class 3 property. Assigned Special Tax rate is \$976.55 per unit for Tax Class 3 property. The Assigned Special Tax rate escalates annually by 2%.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in CFD No. 10 for Fiscal Year 2009-10 through Fiscal Year 2013-14.

TABLE 6
SPECIAL TAX DELINQUENCY HISTORY
FISCAL YEARS 2009-10 THROUGH 2013-14
CFD NO. 10

<i>Fiscal Year</i>	<i>Total Amount Levied</i>	<i>Total Number of Parcels Levied</i>	<i>Total Delinquent Special Taxes at Fiscal Year End⁽¹⁾</i>	<i>Delinquency Rate at Fiscal Year End</i>	<i>Total Number of Parcels Delinquent as of 11/3/2014</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
2009-10	\$83,772	94	\$3,448	4.12%	0	\$ 0	0.00%
2010-11	79,583	94	3,050	3.83	0	0	0.00
2011-12	75,604	94	1,780	2.35	0	0	0.00
2012-13	75,604	94	2,209	2.92	0	0	0.00
2013-14	79,223	94	0	0.00	0	0	0.00

⁽¹⁾ Amount delinquent as of June 30 of the fiscal year in which special taxes were levied.
Source: David Taussig & Associates, Inc.

**INSERT AREA MAP FOR
CFD NO. 13
IMPROVEMENT AREA 1**

CFD NO. 13 AND IMPROVEMENT AREA 1

Location and Description. CFD No. 13 and Improvement Area 1 therein was formed by the School District in November 2003 to finance various public improvements needed to develop property located within CFD No. 13. CFD No. 13 Improvement Area 1 consists of 112.79 acres and is located in the northwestern portion of Riverside County adjacent to the city limits of the City of Riverside. CFD No. 13 Improvement Area 1 includes 208 taxable parcels. CFD No. 13 Improvement Area 1 is completely built out with 208 completed single family detached homes which have been conveyed to individual homeowners.

Assigned Special Taxes. The following table shows the Assigned Special Taxes and the actual Special Taxes that were levied on parcels of property in CFD No. 13 Improvement Area 1 for Fiscal Year 2014-15 and the percentages of the total Special Tax levy. The final maturity of the CFD No. 13-1 Bonds is September 1, 2034.

**TABLE 7
FISCAL YEAR 2014-15 ASSIGNED AND ACTUAL SPECIAL TAXES
CFD NO. 13, IMPROVEMENT AREA NO. 1**

<i>Property Classification/ Tax Class⁽¹⁾</i>	<i>Number of Units/Acres</i>	<i>Fiscal Year 2014-15 Assigned Special Tax per Unit/Acre</i>	<i>Total Fiscal Year 2014-15 Assigned Special Tax</i>	<i>Fiscal Year 2014-15 Actual Special Tax per Unit/Acre</i>	<i>Fiscal Year 2014-15 Levy</i>	<i>Percent of Maximum Special Tax</i>
Developed Property						
Tax Class 1 (SFD ≥ 3,801 SF)	91 Units	\$ 3,138.00	\$ 288,696.00	\$ 2,720.98	\$ 250,330.16	86.71%
Tax Class 2 (SFD 3,601 - 3,800 SF)	42 Units	3,041.00	127,722.00	2,636.86	110,748.12	86.71
Tax Class 3 (SFD 3,401 - 3,600 SF)	51 Units	2,952.00	150,552.00	2,559.70	130,544.70	86.71
Tax Class 4 (SFD 3,201 - 3,400 SF)	23 Units	2,855.00	65,665.00	2,475.58	56,938.34	86.71
Tax Class 5 (SFD 3,001 - 3,200 SF)	0 Units	2,751.00	0.00	0.00	0.00	NA
Tax Class 6 (SFD 2,801 - 3,000 SF)	0 Units	2,647.00	0.00	0.00	0.00	NA
Tax Class 7 (SFD 2,601 - 2,800 SF)	0 Units	2,543.00	0.00	0.00	0.00	NA
Tax Class 8 (SFD ≤ 2,600 SF)	0 Units	2,439.00	0.00	0.00	0.00	NA
Total	208 Units	NA	\$ 632,635.00	NA	\$ 548,561.32	86.71%

⁽¹⁾ Classification pursuant to the Rate and Method of Apportionment.
Source: David Taussig & Associates, Inc.

For the complete text of the CFD No. 13 Improvement Area 1 Rate and Method, see APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

Estimated Direct and Overlapping Indebtedness. Within the boundaries of CFD No. 13 Improvement Area 1 are numerous overlapping local agencies providing public services. The only outstanding debt secured by a special tax or assessment on the parcels within CFD No. 13 Improvement Area 1 is the Community Facilities District No. 13 of Riverside Unified School District 2005 Special Tax Bonds (Improvement Area No. 1) (the “Prior CFD No. 13-1 Bonds”). However, Table 8 below does not include the Prior CFD No. 13-1 Bonds and instead includes the \$5,775,000* aggregate principal amount of the Community Facilities District No. 13 of Riverside Unified School District, 2015 Special Tax Refunding Bonds (Improvement Area No. 1) (the “CFD No. 13 Bonds”) being issued to refund the Prior CFD No. 13-1 Bonds. In addition, there is \$1,045,317 outstanding principal amount of general obligation bonds allocable to CFD No. 13 Improvement Area 1 based on the current assessed value of CFD No. 13 Improvement Area 1 relative to the current assessed value within the boundaries of the applicable taxing jurisdiction issuing the general obligation bonds.

* Preliminary, subject to change.

**TABLE 8
DIRECT AND OVERLAPPING DEBT SUMMARY
AS OF SEPTEMBER 2, 2014
CFD NO. 13, IMPROVEMENT AREA NO. 1**

<i>Overlapping District</i>	<i>Actual Fiscal Year 2014-15 Total Levy</i>	<i>Amount of Levy on Parcels in District</i>	<i>Percent on Levy on Parcels in District</i>	<i>Total Debt Outstanding⁽¹⁾</i>	<i>District Share of Total Debt Outstanding</i>
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$55,516 ⁽²⁾	0.5222%	\$138,110,000	\$ 721,254
Metropolitan Water District G.O. Bonds	100,066,262	3,661 ⁽²⁾	0.0037	132,275,000	4,840
Riverside City Community College G.O. Bonds	14,174,770	18,735 ⁽²⁾	0.1322	227,097,323 ⁽³⁾	300,164
WRCOG HERO Program ⁽⁴⁾	NA	2,002	NA	19,059	<u>19,059⁽⁵⁾</u>
				Estimated Share of Overlapping Debt Allocable to the District	\$ 1,045,317
				Plus the Series 2014 Refunding CFD No. 13, IA No. 1 Bonds	<u>\$ 5,775,000*</u>
				Estimated Share of Direct and Overlapping Debt Allocable to the District	\$ 6,820,317*

* Preliminary, subject to change.

(1) As of September 2, 2014. Principal for City of Riverside GO Bonds and Community College Bonds is made on August 1 of each year. Principal for MWD GO Bonds is made on March 1 of each year. All other districts pay principal on September 1 of each year.

(2) Estimated Fiscal Year 2014-15 levy. Calculated by multiplying the Fiscal Year 2014-15 *ad valorem* rate by the Fiscal Year 2014-15 net assessed value.

(3) Includes 2014 GO Refunding Bonds, Series A & B, issued May 29, 2014.

(4) The WRCOG HERO Program is a Property Assessed Clean Energy (PACE) program under AB 811. Participating property owners enter into a contractual assessment with WRCOG to finance energy efficiency, renewable energy, and water conservation improvements on their property. Bonds are issued, and the assessments are paid back over time through an annual assessment on the property tax bill.

(5) Includes outstanding assessment lien for one parcel in CFD 13 IA No. 1.

Source: David Taussig & Associates, Inc.

Value-to-Lien Ratios. The total assessed values of all of the taxable property in CFD No. 13 Improvement Area 1, as determined by the County Assessor for Fiscal Year 2014-15, is \$105,398,010. The direct and overlapping land secured special tax, assessment and general obligation bonded indebtedness within CFD No. 13 Improvement Area 1 as of September 2, 2014 was approximately \$6,820,317*. The assessed value-to-lien ratio of the property within CFD No. 13 Improvement Area 1, based on the Fiscal Year 2014-15 assessed values, the aggregate principal amount of the CFD No. 13-1 Bonds and the estimated direct and overlapping land secured special tax, and assessment and general obligation bonded indebtedness within CFD No. 13 Improvement Area 1 is approximately 15.45-to-1*. The following table summarizes the assessed value-to-lien ratios within CFD No. 13 Improvement Area 1 by owner.

* Preliminary, subject to change.

**TABLE 9
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS
CFD NO. 13, IMPROVEMENT AREA NO. 1**

<i>Owner⁽¹⁾</i>	<i>Fiscal Year 2014-15 CFD No. 13, IA No. 1 Levy</i>	<i>Percent of Total Levy</i>	<i>Number of Parcels</i>	<i>CFD No. 13, IA No. 1 Outstanding Bond Amount^{(2)*}</i>	<i>RUSD GO Outstanding Bond Amount⁽³⁾</i>	<i>MWD GO Outstanding Bond Amount⁽³⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽³⁾</i>	<i>WRCOG HERO Program Outstanding Bond Amount⁽⁴⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁵⁾</i>	<i>Value-to- Lien Ratio*</i>
Individual Owners	\$ 548,561	100.00%	208	\$ 5,775,000	\$ 721,254	\$ 4,840	\$ 300,164	\$ 19,059	\$ 6,820,317	\$ 105,398,010	15.45

* Preliminary, subject to change.

(1) Based on ownership as of January 1, 2014 provided by the Riverside County Assessor.

(2) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(3) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(4) The WRCOG HERO Program is a Property Assessed Clean Energy (PACE) program under AB 811. Participating property owners enter into a contractual assessment with WRCOG to finance energy efficiency, renewable energy, and water conservation improvements on their property. Bonds are issued, and the assessments are paid back over time through an annual assessment on the property tax bill.

(5) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Value-to-lien Ratios by Range. The following table summarizes the assessed value-to-lien ratios within CFD No. 13 Improvement Area 1 by value-to-lien range.

**TABLE 10
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS BY RANGES
CFD NO. 13, IMPROVEMENT AREA NO. 1**

Value-to-Lien Range	Number of Residential Units	Fiscal Year 2014-15 CFD No. 13, IA No. 1 Levy	CFD No. 13, IA No. 1 Outstanding Bond Amount^{(1)*}	Percent of Total CFD No. 13, IA No. 1 Outstanding Bond Amount*	RUSD GO Outstanding Bond Amount⁽²⁾	MWD GO Outstanding Bond Amount⁽²⁾	RCCD GO Outstanding Bond Amount⁽²⁾	WRCOG HERO Program Outstanding Bond Amount⁽³⁾	Total Direct and Overlapping Debt*	Fiscal Year 2014-15 Assessed Value⁽⁴⁾	Percent of Total Fiscal Year 2014-15 Assessed Value*	Value-to-Lien Ratio*
0.00-4.99	0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.00%	NA
5.00-9.99	1	2,637	27,760	0.48	3,394	23	1,412	19,059	51,647	492,224	0.47	9.53
10.00-14.99	73	194,761	2,050,358	35.50	220,726	1,481	91,860	0	2,364,425	32,279,444	30.63	13.65
15.00-19.99	130	340,279	3,582,301	62.03	477,512	3,204	198,726	0	4,261,743	69,766,342	66.19	16.37
20.00 or Greater	4	10,884	114,581	1.98	19,623	132	8,166	0	142,501	2,860,000	2.71	20.07
Total	208	\$ 548,561	\$ 5,775,000	100.00%	\$ 721,254	\$ 4,840	\$ 300,164	\$ 19,059	\$ 6,820,317	\$ 105,398,010	100.00%	15.45

* Preliminary, subject to change.

(1) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(2) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(3) The WRCOG HERO Program is a Property Assessed Clean Energy (PACE) program under AB 811. Participating property owners enter into a contractual assessment with WRCOG to finance energy efficiency, renewable energy, and water conservation improvements on their property. Bonds are issued, and the assessments are paid back over time through an annual assessment on the property tax bill.

(4) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Sample Tax Bill. The following tables show the projected total effective tax rate for sample residential parcels in CFD No. 13 Improvement Area 1, based on the average square footage of the homes located on such parcels and other characteristics described in the tables.

TABLE 11A
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 88-092, 88-095
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥3,801 SF)
CFD NO. 13, IMPROVEMENT AREA NO. 1

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
\$533,913			
Average Unit Size for Developed Property ⁽²⁾			
4,316 Square Feet			
Average Lot Size for Developed Property ⁽³⁾			
18,309 Square Feet			
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 5,339.13	
Metropolitan Water District G.O. Bonds	0.00350	18.69	
Riverside Unified School District G.O. Bonds	0.05307	283.35	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>95.62</u>	
Total General Property Taxes and Overrides	1.07448%	\$ 5,736.79	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.85	
County Service Area 132 – Street Lights ⁽⁶⁾		62.34	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 NPDES ⁽⁸⁾		40.00	
Lighting & Landscaping Maintenance District No. 89-1-C Zone 45 ⁽⁹⁾		252.04	
WMWD Fixed Sewer Charge ⁽¹⁰⁾		487.72	
Riverside Unified School District CFD No. 13, IA No. 1 ⁽¹¹⁾		<u>2,720.98</u>	<u>\$ 3,138.00</u>
Total Assessments and Parcel Charges		\$ 3,576.15	\$ 3,993.17
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 9,312.93</u>	<u>\$ 9,729.95</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.74428%	1.82239%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 92 Tax Class 1 units in CFD No. 13, IA No. 1, as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 92 Tax Class 1 units in CFD No. 13, IA No. 1.

⁽³⁾ Based on the average lot size for 92 Tax Class 1 units in CFD No. 13, IA No. 1.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$62.34 per parcel. The rate escalates annually by the greater of the change in Consumer Price Index for the Los Angeles-Riverside-Orange County Area or 2.00%.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$40.00 per parcel. The rate does not increase.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$252.04 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles-Riverside-Orange County area, not to exceed 2.00%.

⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$487.72 per parcel. Amount fluctuates by the change in operations and maintenance costs for the service area. There is no maximum percentage increase limit for the sewer rate.

⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 13, IA No. 1 Fiscal Year 2014-15 actual Special Tax rate of \$2,720.98 per unit for Tax Class 1 property. Assigned Special Tax rate is \$3,138.00 per unit for Tax Class 1 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; City of Menifee; Western Municipal Water District.

TABLE 11B
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 88-092, 88-095
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 2 (3,601-3,800 SF)
CFD NO. 13, IMPROVEMENT AREA NO. 1

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾		\$492,224	
NET ASSESSED VALUE ⁽¹⁾		\$492,224	
Unit Size ⁽²⁾		3,740 Square Feet	
Lot Size ⁽³⁾		19,166 Square Feet	
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 4,922.24	
Metropolitan Water District G.O. Bonds	0.00350	17.23	
Riverside Unified School District G.O. Bonds	0.05307	261.22	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>88.16</u>	
Total General Property Taxes and Overrides	1.07448%	\$ 5,288.85	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.84	
County Service Area 132 – Street Lights ⁽⁶⁾		62.34	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 NPDES ⁽⁸⁾		40.00	
Lighting & Landscaping Maintenance District No. 89-1-C Zone 45 ⁽⁹⁾		252.04	
WMWD Fixed Sewer Charge ⁽¹⁰⁾		487.72	
WRCOG HERO Funded Fiscal Year 2013-14 ⁽¹¹⁾		2,002.44	
Riverside Unified School District CFD No. 13, IA No. 1 ⁽¹²⁾		<u>2,636.86</u>	<u>\$ 3,041.00</u>
Total Assessments and Parcel Charges		\$ 5,494.46	\$ 5,898.60
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 10,783.31</u>	<u>\$ 11,187.45</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		2.19073%	2.27284%

- (1) Based on assessed values for unit with WRCOG HERO PACE assessment in CFD No. 13, IA No. 1 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- (2) Based on actual unit size.
- (3) Based on actual lot size.
- (4) Actual Fiscal Year 2014-15 *ad valorem* rates.
- (5) Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- (6) Based on the Fiscal Year 2014-15 rate of \$62.34 per parcel. The rate escalates annually by the greater of the change in Consumer Price Index for the Los Angeles-Riverside-Orange County Area or 2.00%.
- (7) Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- (8) Based on the Fiscal Year 2014-15 rate of \$40.00 per parcel. The rate does not increase.
- (9) Based on the Fiscal Year 2014-15 rate of \$252.04 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles-Riverside-Orange County area, not to exceed 2.00%.
- (10) Based on the Fiscal Year 2014-15 rate of \$487.72 per parcel. Amount fluctuates by the change in operations and maintenance costs for the service area. There is no maximum percentage increase limit for the sewer rate.
- (11) Based on administrative expenses, principal and interest due on outstanding lien on March 1, 2015 and September 1, 2015.
- (12) Based on the Riverside Unified School District CFD No. 13, IA No. 1 Fiscal Year 2014-15 actual Special Tax rate of \$2,636.86 per unit for Tax Class 2 property. Assigned Special Tax rate is \$3,041.00 per unit for Tax Class 2 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; City of Menifee; Western Municipal Water District.

TABLE 11C
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 88-092, 88-095
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 4 (3,201-3,400 SF)
CFD NO. 13, IMPROVEMENT AREA NO. 1

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾		\$471,830	
Average Unit Size for Developed Property ⁽²⁾		3,287 Square Feet	
Average Lot Size for Developed Property ⁽³⁾		17,765 Square Feet	
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 4,718.30	
Metropolitan Water District G.O. Bonds	0.00350	16.51	
Riverside Unified School District G.O. Bonds	0.05307	250.40	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>84.50</u>	
Total General Property Taxes and Overrides	1.07448%	\$ 5,069.71	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.84	
County Service Area 132 – Street Lights ⁽⁶⁾		62.34	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 NPDES ⁽⁸⁾		40.00	
Lighting & Landscaping Maintenance District No. 89-1-C Zone 45 ⁽⁹⁾		252.04	
WMWD Fixed Sewer Charge ⁽¹⁰⁾		487.72	
Riverside Unified School District CFD No. 13, IA No. 1 ⁽¹¹⁾		<u>2,475.58</u>	<u>\$ 2,855.00</u>
Total Assessments and Parcel Charges		\$ 3,330.74	\$ 3,710.16
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 8,400.46</u>	 <u>\$ 8,779.88</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 1.78040%	 1.86081%

(1) Based on average net assessed value plus \$7,000 homeowner's exemption for 23 Tax Class 4 units in CFD No. 13, IA No. 1, as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

(2) Based on the average unit size for 23 Tax Class 4 units in CFD No. 13, IA No. 1.

(3) Based on the average lot size for 23 Tax Class 4 units in CFD No. 13, IA No. 1.

(4) Actual Fiscal Year 2014-15 *ad valorem* rates.

(5) Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

(6) Based on the Fiscal Year 2014-15 rate of \$62.34 per parcel. The rate escalates annually by the greater of the change in Consumer Price Index for the Los Angeles-Riverside-Orange County Area or 2.00%.

(7) Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

(8) Based on the Fiscal Year 2014-15 rate of \$40.00 per parcel. The rate does not increase.

(9) Based on the Fiscal Year 2014-15 rate of \$252.04 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles-Riverside-Orange County area, not to exceed 2.00%.

(10) Based on the Fiscal Year 2014-15 rate of \$487.72 per parcel. Amount fluctuates by the change in operations and maintenance costs for the service area. There is no maximum percentage increase limit for the sewer rate.

(11) Based on the Riverside Unified School District CFD No. 13, IA No. 1 Fiscal Year 2014-15 actual Special Tax rate of \$2,475.58 per unit for Tax Class 4 property. Assigned Special Tax rate is \$2,855.00 per unit for Tax Class 4 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; City of Menifee; Western Municipal Water District.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in CFD No. 13 Improvement Area 1 for Fiscal Year 2009-10 through Fiscal Year 2013-14.

**TABLE 12
SPECIAL TAX DELINQUENCY HISTORY
CFD NO. 13, IMPROVEMENT AREA NO. 1**

<i>Fiscal Year</i>	<i>Total Amount Levied</i>	<i>Total Number of Parcels Levied</i>	<i>Total Delinquent Special Taxes at Fiscal Year End⁽¹⁾</i>	<i>Delinquency Rate at Fiscal Year End</i>	<i>Total Number of Parcels Delinquent as of 11/3/2014</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
2009-10	\$607,822	200	\$52,445	8.63%	0	\$ 0	0.00%
2010-11	577,432	208	19,359	3.35	1	1,388 ⁽²⁾	0.24
2011-12	548,561	208	19,668	3.59	1	2,637 ⁽²⁾	0.48
2012-13	548,561	208	23,791	4.34	1	2,637 ⁽²⁾	0.48
2013-14	548,561	208	12,118	2.21	1	1,360	0.25

⁽¹⁾ Amount delinquent as of June 30 of the fiscal year in which special taxes were levied.

⁽²⁾ Includes delinquent amount for one parcel in CFD No. 13, IA No. 1 currently under foreclosure.

Source: David Taussig & Associates, Inc.

**INSERT AREA MAP FOR
CFD NO. 14**

CFD NO. 14

Location and Description. CFD No. 14 was formed by the School District in January 2004 to finance various public improvements needed to develop property located within CFD No. 14. CFD No. 14 (totaling approximately 37 acres) consists of two non-continuous parcels located in the northern portion of the City of Riverside: 1) Tract No. 30922 consisting of 32.88 acres and 2) Tract No. 31512 consisting of 5.24 acres. CFD No. 14 includes 307 taxable parcels. CFD No. 14 is completely built out with 307 completed single family detached homes which have been conveyed to individual homeowners.

Assigned Special Taxes. The following table shows the Assigned Special Taxes and the actual Special Taxes that were levied on parcels of property in CFD No. 14 for Fiscal Year 2014-15 and the percentages of the total Special Tax levy. The final maturity of the CFD No. 14 Bonds is September 1, 2035.

**TABLE 13
FISCAL YEAR 2014-15 ASSIGNED AND ACTUAL SPECIAL TAXES
CFD NO. 14**

<i>Tax Rate Zone/ Property Classification/ Tax Class⁽¹⁾</i>	<i>Number of Units/Acres</i>	<i>Fiscal Year 2014-15 Assigned Special Tax per Unit/Acre</i>	<i>Total Fiscal Year 2014-15 Assigned Special Tax</i>	<i>Fiscal Year 2014-15 Actual Special Tax per Unit/Acre</i>	<i>Fiscal Year 2014-15 Levy</i>	<i>Percent of Maximum Special Tax</i>
Tax Rate Zone 1						
Developed Property						
Tax Class 1 (SFD ≥ 1,651 SF)	85 Units	\$ 1,632.00	\$ 138,720.00	\$ 1,305.14	\$ 110,936.90	79.97%
Tax Class 2 (SFD 1,451 - 1,650 SF)	15 Units	1,546.00	23,190.00	1,236.36	18,545.40	79.97
Tax Class 3 (SFD ≤ 1,450 SF)	<u>53 Units</u>	<u>1,494.00</u>	<u>79,182.00</u>	<u>1,194.78</u>	<u>63,323.34</u>	<u>79.97</u>
Subtotal - Tax Rate Zone 1	153 Units	NA	\$ 241,092.00	NA	\$ 192,805.64	79.97%
Tax Rate Zone 2						
Developed Property						
Tax Class 1 (SFD ≥ 2,601 SF)	46 Units	\$ 2,104.00	\$ 96,784.00	\$ 1,682.60	\$ 77,399.60	79.97%
Tax Class 2 (SFD 2,251 - 2,600 SF)	41 Units	2,070.00	84,870.00	1,655.42	67,872.22	79.97
Tax Class 3 (SFD ≤ 2,250 SF)	<u>67 Units</u>	<u>1,769.00</u>	<u>118,523.00</u>	<u>1,414.70</u>	<u>94,784.90</u>	<u>79.97</u>
Subtotal - Tax Rate Zone 2	<u>154 Units</u>	<u>NA</u>	<u>\$ 300,177.00</u>	<u>NA</u>	<u>\$ 240,056.72</u>	<u>79.97%</u>
Total	307 Units	NA	\$ 541,269.00	NA	\$ 432,862.36	79.97%

⁽¹⁾ Classification pursuant to the Rate and Method of Apportionment.
Source: David Taussig & Associates, Inc.

For the complete text of the CFD No. 14 Rate and Method, see APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

Estimated Direct and Overlapping Indebtedness. Within the boundaries of CFD No. 14 are numerous overlapping local agencies providing public services. The only outstanding debt secured by a special tax or assessment on the parcels within CFD No. 14 is the Community Facilities District No. 14 of Riverside Unified School District 2005 Special Tax Bonds, Series A (the “Prior CFD No. 14 Bonds”). However, Table 14 below does not include the Prior CFD No. 14 Bonds and instead includes the \$4,720,000* aggregate principal amount of the Community Facilities District No. 14 of Riverside Unified School District, 2015 Special Tax Refunding Bonds (the “CFD No. 14 Bonds”) being issued to refund the Prior CFD No. 14 Bonds. In addition, there is \$717,190 outstanding principal amount of general obligation bonds allocable to CFD No. 14 based on the current assessed value of CFD No. 14 relative to the current assessed value within the boundaries of the applicable taxing jurisdiction issuing the general obligation bonds.

* Preliminary, subject to change.

**TABLE 14
DIRECT AND OVERLAPPING DEBT SUMMARY
AS OF SEPTEMBER 2, 2014
CFD NO. 14**

<i>Overlapping District</i>	<i>Actual Fiscal Year 2014-15 Total Levy</i>	<i>Amount of Levy on Parcels in District</i>	<i>Percent on Levy on Parcels in District</i>	<i>Total Debt Outstanding⁽¹⁾</i>	<i>District Share of Total Debt Outstanding</i>
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$36,629 ⁽²⁾	0.3446%	\$138,110,000	\$ 475,878
City of Riverside G.O. Bonds	1,444,251	4,321 ⁽²⁾	0.2992	13,395,000	40,073
Metropolitan Water District G.O. Bonds	100,066,262	2,416 ⁽²⁾	0.0024	132,275,000	3,193
Riverside City Community College G.O. Bonds	14,174,770	12,361 ⁽²⁾	0.0872	227,097,323 ⁽³⁾	<u>198,046</u>
				Estimated Share of Overlapping Debt Allocable to the District	\$ 717,190
				Plus the Series 2014 Refunding CFD No. 14 Bonds	<u>\$ 4,720,000*</u>
				Estimated Share of Direct and Overlapping Debt Allocable to the District	\$ 5,437,190*

* Preliminary, subject to change.

⁽¹⁾ As of September 2, 2014. Principal for City of Riverside GO Bonds and Community College Bonds is made on August 1 of each year. Principal for MWD GO Bonds is made on March 1 of each year. All other districts pay principal on September 1 of each year.

⁽²⁾ Estimated Fiscal Year 2014-15 levy. Calculated by multiplying the Fiscal Year 2014-15 *ad valorem* rate by the Fiscal Year 2014-15 net assessed value.

⁽³⁾ Includes 2014 GO Refunding Bonds, Series A & B, issued May 29, 2014.

Source: David Taussig & Associates, Inc.

Value-to-Lien Ratios. The total assessed values of all of the taxable property in CFD No. 14, as determined by the County Assessor for Fiscal Year 2014-15, is \$69,717,087. The direct and overlapping land secured special tax, assessment and general obligation bonded indebtedness within CFD No. 14 as of September 2, 2014 was approximately \$5,437,190*. The assessed value-to-lien ratio of the property within CFD No. 14, based on the Fiscal Year 2014-15 assessed values, the aggregate principal amount of the CFD No. 14 Bonds and the estimated direct and overlapping land secured special tax, and assessment and general obligation bonded indebtedness within CFD No. 14 is approximately 12.82-to-1*. The following table summarizes the assessed value-to-lien ratios within CFD No. 14 by owner.

* Preliminary, subject to change.

TABLE 15
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS
CFD NO. 14

<i>Owner⁽¹⁾</i>	<i>Fiscal Year 2014-15 CFD No. 14 Levy</i>	<i>Percent of Total Levy</i>	<i>Number of Parcels</i>	<i>CFD No. 14 Outstanding Bond Amount^{(2)*}</i>	<i>RUSD GO Outstanding Bond Amount⁽³⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽³⁾</i>	<i>MWD GO Outstanding Bond Amount⁽³⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽³⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁴⁾</i>	<i>Value- to-Lien Ratio*</i>
Individual Owners	\$ 432,862	100.00%	307	\$4,720,000	\$ 475,878	\$ 40,073	\$ 3,193	\$ 198,046	\$ 5,437,190	\$ 69,717,087	12.82

* Preliminary, subject to change.

(1) Based on ownership as of January 1, 2014 provided by the Riverside County Assessor.

(2) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(3) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(4) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Value-to-lien Ratios by Range. The following table summarizes the assessed value-to-lien ratios within CFD No. 14 by value-to-lien range.

**TABLE 16
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS BY RANGES
CFD NO. 14**

Value-to-Lien Range	Number of Residential Units	Fiscal Year 2014-15 CFD No. 14 Levy	CFD No. 14 Outstanding Bond Amount^{(1)*}	Percent of Total CFD No. 14 Outstanding Bond Amount*	RUSD GO Outstanding Bond Amount⁽²⁾	City of Riverside GO Outstanding Bond Amount⁽²⁾	MWD GO Outstanding Bond Amount⁽²⁾	RCCD GO Outstanding Bond Amount⁽²⁾	Total Direct and Overlapping Debt*	Fiscal Year 2014-15 Assessed Value⁽³⁾	Percent of Total Fiscal Year 2014-15 Assessed Value*	Value-to-Lien Ratio*
0.00-4.99	0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.00%	NA
5.00-9.99	7	9,395	102,445	2.17	7,400	623	50	3,080	113,598	1,087,299	1.56	9.57
10.00-14.99	254	364,343	3,972,857	84.17	389,188	32,773	2,612	161,968	4,559,398	57,003,785	81.76	12.50
15.00-19.99	46	59,124	644,697	13.66	79,290	6,677	532	32,998	764,194	11,626,003	16.68	15.21
20.00 or Greater	0	0	0	0.00	0	0	0	0	0	0	0.00	NA
Total	307	\$ 432,862	\$ 4,720,000	100.00%	\$ 475,878	\$ 40,073	\$ 3,193	\$ 198,046	\$ 5,437,190	\$ 69,717,087	100.00%	12.82

* Preliminary, subject to change.

(1) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(2) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(3) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Sample Tax Bill. The following tables show the projected total effective tax rate for sample residential parcels in CFD No. 14, based on the average square footage of the homes located on such parcels and other characteristics described in the tables.

TABLE 17A
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 09-159
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥1,651 SF)
CFD NO. 14, TAX ZONE 1

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
Average Unit Size for Developed Property ⁽²⁾	1,747 Square Feet		
Average Lot Size for Developed Property ⁽³⁾	2,378 Square Feet		
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,171.07	
Metropolitan Water District G.O. Bonds	0.00350	7.60	
City of Riverside G.O. Bonds	0.00626	13.59	
Riverside Unified School District G.O. Bonds	0.05307	115.22	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>38.88</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,346.37	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 1.23	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		27.60	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 14, Tax Zone 1 ⁽¹¹⁾		<u>1,305.14</u>	<u>\$ 1,632.00</u>
Total Assessments and Parcel Charges		\$ 1,378.69	\$ 1,705.55
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 3,725.05</u>	<u>\$ 4,051.91</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.71577%	1.86632%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 85 Tax Class 1 units in CFD No. 14, Tax Zone 1 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 85 Tax Class 1 units in CFD No. 14, Tax Zone 1.

⁽³⁾ Based on the average lot size for 85 Tax Class 1 units in CFD No. 14, Tax Zone 1.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be 8.40 per benefit unit and the Fiscal Year 2016-17 rate will be 10.00 per benefit unit.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$27.60 per benefit unit for condominiums, apartments, and mobile homes. The rate does not increase.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.

⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 14, Tax Zone 1 Fiscal Year 2014-15 actual Special Tax rate of \$1,305.14 per unit for Tax Class 1 property. Assigned Special Tax rate is \$1,632.00 per unit for Tax Class 1 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 17B
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 09-159
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 2 (1,451-1,650 SF)
CFD NO. 14, TAX ZONE 1

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
\$195,800			
Average Unit Size for Developed Property ⁽²⁾			
1,626 Square Feet			
Average Lot Size for Developed Property ⁽³⁾			
2,439 Square Feet			
 <i>AD VALOREM PROPERTY TAXES⁽⁴⁾</i>			
Basic Levy	1.00000%	\$ 1,958.00	
Metropolitan Water District G.O. Bonds	0.00350	6.85	
City of Riverside G.O. Bonds	0.00626	12.26	
Riverside Unified School District G.O. Bonds	0.05307	103.91	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>35.07</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,116.09	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 1.26	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		27.60	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 14, Tax Zone 1 ⁽¹¹⁾		<u>1,236.36</u>	<u>\$ 1,546.00</u>
Total Assessments and Parcel Charges		\$ 1,309.94	\$ 1,619.58
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 3,426.03</u>	 <u>\$ 3,735.67</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 1.74976%	 1.90790%

- ⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 15 Tax Class 2 units in CFD No. 14, Tax Zone 1 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- ⁽²⁾ Based on the average unit size for 15 Tax Class 2 units in CFD No. 14, Tax Zone 1.
- ⁽³⁾ Based on the average lot size for 15 Tax Class 2 units in CFD No. 14, Tax Zone 1.
- ⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.
- ⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- ⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be 8.40 per benefit unit and the Fiscal Year 2016-17 rate will be 10.00 per benefit unit.
- ⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- ⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$27.60 per benefit unit for condominiums, apartments, and mobile homes. The rate does not increase.
- ⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.
- ⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.
- ⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 14, Tax Zone 1 Fiscal Year 2014-15 actual Special Tax rate of \$1,236.36 per unit for Tax Class 2 property. Assigned Special Tax rate is \$1,546.00 per unit for Tax Class 2 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 17C
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 09-049, 09-159
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥ 2,601 SF)
CFD NO. 14, TAX ZONE 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
Average Unit Size for Developed Property ⁽²⁾			
Average Lot Size for Developed Property ⁽³⁾			
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,652.39	
Metropolitan Water District G.O. Bonds	0.00350	9.28	
City of Riverside G.O. Bonds	0.00626	16.60	
Riverside Unified School District G.O. Bonds	0.05307	140.76	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>47.50</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,866.54	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 1.85	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		27.60	
City of Riverside Library Services ⁽⁹⁾		19.00	
Jurupa Parks & Recreation Maintenance ⁽¹⁰⁾		15.00	
Riverside Unified School District CFD No. 14, Tax Zone 2 ⁽¹¹⁾		<u>1,682.60</u>	<u>\$ 2,104.00</u>
Total Assessments and Parcel Charges		\$ 1,762.07	\$ 2,183.47
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 4,628.61</u>	<u>\$ 5,050.01</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.74507%	1.90395%

- (1) Based on average net assessed value plus \$7,000 homeowner's exemption for 46 Tax Class 1 units in CFD No. 14, Tax Zone 1 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- (2) Based on the average unit size for 46 Tax Class 1 units in CFD No. 14, Tax Zone 2.
- (3) Based on the average lot size for 46 Tax Class 1 units in CFD No. 14, Tax Zone 2.
- (4) Actual Fiscal Year 2014-15 *ad valorem* rates.
- (5) Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- (6) Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be 8.40 per benefit unit and the Fiscal Year 2016-17 rate will be 10.00 per benefit unit.
- (7) Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- (8) Based on the Fiscal Year 2014-15 rate of \$27.60 per benefit unit for condominiums, apartments, and mobile homes. The rate does not increase.
- (9) Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.
- (10) Parcels in CFD No. 14, Tax Zone 2 receive either the NW Mosquito & Vector charge of \$9.70 per parcel (TRA 09-159) or the Jurupa Parks & Recreation Maintenance Charge of \$15.00 per parcel (TRA 09-049). For purposes of this analysis, the higher of the two charges is shown. Amount for the NW Mosquito & Vector charge escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%. The rate for the Jurupa Parks & Recreation Maintenance Charge does not increase.
- (11) Based on the Riverside Unified School District CFD No. 14, Tax Zone 2 Fiscal Year 2014-15 actual Special Tax rate of \$1,682.60 per unit for Tax Class 1 property. Assigned Special Tax rate is \$2,104.00 per unit for Tax Class 1 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 17D
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 09-049, 09-159
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 3 (≥ 2,250 SF)
CFD NO. 14, TAX ZONE 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾		\$238,450	
Average Unit Size for Developed Property ⁽²⁾		1,903 Square Feet	
Average Lot Size for Developed Property ⁽³⁾		3,693 Square Feet	
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,384.50	
Metropolitan Water District G.O. Bonds	0.00350	8.35	
City of Riverside G.O. Bonds	0.00626	14.93	
Riverside Unified School District G.O. Bonds	0.05307	126.55	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>42.71</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,577.02	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 1.91	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		27.60	
City of Riverside Library Services ⁽⁹⁾		19.00	
Jurupa Parks & Recreation Maintenance ⁽¹⁰⁾		15.00	
Riverside Unified School District CFD No. 14, Tax Zone 2 ⁽¹¹⁾		<u>1,414.70</u>	<u>\$ 1,769.00</u>
Total Assessments and Parcel Charges		\$ 1,494.23	\$ 1,848.53
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 4,071.25</u>	<u>\$ 4,425.55</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.70738%	1.85597%

- ⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 67 Tax Class 3 units in CFD No. 14, Tax Zone 1 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- ⁽²⁾ Based on the average unit size for 67 Tax Class 3 units in CFD No. 14, Tax Zone 2.
- ⁽³⁾ Based on the average lot size for 67 Tax Class 3 units in CFD No. 14, Tax Zone 2.
- ⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.
- ⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- ⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be 8.40 per benefit unit and the Fiscal Year 2016-17 rate will be 10.00 per benefit unit.
- ⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- ⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$27.60 per benefit unit for condominiums, apartments, and mobile homes. The rate does not increase.
- ⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.
- ⁽¹⁰⁾ Parcels in CFD No. 14, Tax Zone 2 receive either the NW Mosquito & Vector charge of \$9.70 per parcel (TRA 09-159) or the Jurupa Parks & Recreation Maintenance Charge of \$15.00 per parcel (TRA 09-049). For purposes of this analysis, the higher of the two charges is shown. Amount for the NW Mosquito & Vector charge escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%. The rate for the Jurupa Parks & Recreation Maintenance Charge does not increase.
- ⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 14, Tax Zone 2 Fiscal Year 2014-15 actual Special Tax rate of \$1,414.70 per unit for Tax Class 3 property. Assigned Special Tax rate is \$1,769.00 per unit for Tax Class 3 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in CFD No. 14 for Fiscal Year 2009-10 through Fiscal Year 2013-14.

TABLE 18
SPECIAL TAX DELINQUENCY HISTORY
FISCAL YEARS 2009-10 THROUGH 2013-14
CFD NO. 14

<i>Fiscal Year</i>	<i>Total Amount Levied</i>	<i>Total Number of Parcels Levied</i>	<i>Total Delinquent Special Taxes at Fiscal Year End⁽¹⁾</i>	<i>Delinquency Rate at Fiscal Year End</i>	<i>Total Number of Parcels Delinquent as of 11/3/2014</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
2009-10	\$534,397	307	\$37,381	7.00%	0	\$ 0	0.00%
2010-11	480,960	307	21,517	4.47	1	1,450	0.30
2011-12	432,862	307	5,708	1.32	1	1,305	0.30
2012-13	432,862	307	8,637	2.00	2	2,988	0.69
2013-14	432,862	307	7,950	1.84	1	1,305	0.30

⁽¹⁾ Amount delinquent as of June 30 of the fiscal year in which special taxes were levied.
Source: David Taussig & Associates, Inc.

**INSERT AREA MAP FOR
CFD NO. 15
IMPROVEMENT AREA 2**

CFD NO. 15 AND IMPROVEMENT AREA 2

Location and Description. CFD No. 15 and Improvement Area 2 therein was formed by the School District in April 2004 to finance various public improvements needed to develop property located within CFD No. 15. CFD No. 15 Improvement Area 2 is located in the southwestern part of the City of Riverside. CFD No. 15 Improvement Area 2 includes 403 taxable parcels and consists of approximately 129.2 acres. CFD No. 15 Improvement Area 2 is completely built out with 403 completed single family detached homes which have been conveyed to individual homeowners.

Assigned Special Taxes. The following table shows the Assigned Special Taxes and the actual Special Taxes that were levied on parcels of property in CFD No. 15 Improvement Area 2 for Fiscal Year 2014-15 and the percentages of the total Special Tax levy. The final maturity of the CFD No. 15-2 Bonds is September 1, 2035.

**TABLE 19
FISCAL YEAR 2014-15 ASSIGNED AND ACTUAL SPECIAL TAXES
CFD NO. 15, IMPROVEMENT AREA NO. 2**

<i>Property Classification/ Tax Class⁽¹⁾</i>	<i>Number of Units/Acres</i>	<i>Fiscal Year 2014-15 Assigned Special Tax per Unit/Acre</i>	<i>Total Fiscal Year 2014-15 Assigned Special Tax</i>	<i>Fiscal Year 2014-15 Actual Special Tax per Unit/Acre</i>	<i>Fiscal Year 2014-15 Levy</i>	<i>Percent of Maximum Special Tax</i>
Developed Property						
Tax Class 1 (SFD > 3,700 SF)	92 Units	\$ 4,289.00	\$ 394,588.00	\$ 3,667.10	\$ 337,373.20	85.50%
Tax Class 2 (SFD 3,401 - 3,700 SF)	51 Units	4,194.00	213,894.00	3,585.88	182,879.88	85.50
Tax Class 3 (SFD 3,101 - 3,400 SF)	117 Units	3,665.00	428,805.00	3,133.58	366,628.86	85.50
Tax Class 4 (SFD 2,801 - 3,100 SF)	48 Units	3,484.00	167,232.00	2,978.82	142,983.36	85.50
Tax Class 5 (SFD 2,501 - 2,800 SF)	65 Units	3,405.00	221,325.00	2,911.28	189,233.20	85.50
Tax Class 6 (SFD ≤ 2,500 SF)	30 Units	3,247.00	97,410.00	2,776.20	83,286.00	85.50
Total	403 Units	NA	\$ 1,523,254.00	NA	\$ 1,302,384.50	85.50%

⁽¹⁾ Classification pursuant to the Rate and Method of Apportionment.
Source: David Taussig & Associates, Inc.

For the complete text of the CFD No. 15 Improvement Area 2 Rate and Method, see APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

Estimated Direct and Overlapping Indebtedness. Within the boundaries of CFD No. 15 Improvement Area 2 are numerous overlapping local agencies providing public services. The only outstanding debt secured by a special tax or assessment on the parcels within CFD No. 15 Improvement Area 2 is the Community Facilities District No. 15 (Mission Ranch) of Riverside Unified School District 2005 Special Tax Bonds, Series A (Improvement Area No. 2) (the “Prior CFD No. 15-2 Bonds”). However, Table 20 below does not include the Prior CFD No. 15-2 Bonds and instead includes the \$14,715,000* aggregate principal amount of the Community Facilities District No. 15 (Mission Ranch) of Riverside Unified School District, 2015 Special Tax Refunding Bonds (the “CFD No. 15 Bonds”) being issued to refund the Prior CFD No. 15-2 Bonds. In addition, there is \$1,667,420 outstanding principal amount of general obligation bonds allocable to CFD No. 15 Improvement Area 2 based on the current assessed value of CFD No. 15 Improvement Area 2 relative to the current assessed value within the boundaries of the applicable taxing jurisdiction issuing the general obligation bonds.

* Preliminary, subject to change.

**TABLE 20
DIRECT AND OVERLAPPING DEBT SUMMARY
AS OF SEPTEMBER 2, 2014
CFD NO. 15, IMPROVEMENT AREA NO. 2**

<i>Overlapping District</i>	<i>Actual Fiscal Year 2014-15 Total Levy</i>	<i>Amount of Levy on Parcels in District</i>	<i>Percent on Levy on Parcels in District</i>	<i>Total Debt Outstanding⁽¹⁾</i>	<i>District Share of Total Debt Outstanding</i>
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$77,928 ⁽²⁾	0.7331%	\$138,110,000	\$ 1,012,438
City of Riverside G.O. Bonds	1,444,251	9,192 ⁽²⁾	0.6365	13,395,000	85,255
Metropolitan Water District G.O. Bonds	100,066,262	5,139 ⁽²⁾	0.0051	132,275,000	6,794
Riverside City Community College G.O. Bonds	14,174,770	26,299 ⁽²⁾	0.1855	227,097,323 ⁽³⁾	421,345
WRCOG HERO Program ⁽⁴⁾	NA	15,257	NA	141,588	<u>141,588⁽⁵⁾</u>
				Estimated Share of Overlapping Debt Allocable to the District	\$ 1,667,420
				Plus the Series 2014 Refunding CFD No. 15, IA No. 2 Bonds	<u>\$ 14,715,000*</u>
				Estimated Share of Direct and Overlapping Debt Allocable to the District	<u>\$ 16,382,420*</u>

* Preliminary, subject to change.

(1) As of September 2, 2014. Principal for City of Riverside GO Bonds and Community College Bonds is made on August 1 of each year. Principal for MWD GO Bonds is made on March 1 of each year. All other districts pay principal on September 1 of each year.

(2) Estimated Fiscal Year 2014-15 levy. Calculated by multiplying the Fiscal Year 2014-15 *ad valorem* rate by the Fiscal Year 2014-15 net assessed value.

(3) Includes 2014 GO Refunding Bonds, Series A & B, issued May 29, 2014.

(4) The WRCOG HERO Program is a Property Assessed Clean Energy (PACE) program under AB 811. Participating property owners enter into a contractual assessment with WRCOG to finance energy efficiency, renewable energy, and water conservation improvements on their property. Bonds are issued, and the assessments are paid back over time through an annual assessment on the property tax bill.

(5) Includes outstanding assessment lien for five parcels in CFD 15 IA No. 2.

Source: David Taussig & Associates, Inc.

Value-to-Lien Ratios. The total assessed values of all of the taxable property in CFD No. 15 Improvement Area 2, as determined by the County Assessor for Fiscal Year 2014-15, is \$148,448,235. The direct and overlapping land secured special tax, assessment and general obligation bonded indebtedness within CFD No. 15 Improvement Area 2 as of September 2, 2014 was approximately \$16,382,420*. The assessed value-to-lien ratio of the property within CFD No. 15 Improvement Area 2, based on the Fiscal Year 2014-15 assessed values, the aggregate principal amount of the CFD No. 15-2 Bonds and the estimated direct and overlapping land secured special tax, and assessment and general obligation bonded indebtedness within CFD No. 15 Improvement Area 2 is approximately 9.06-to-1*. The following table summarizes the assessed value-to-lien ratios within CFD No. 15 Improvement Area 2 by owner.

* Preliminary, subject to change.

**TABLE 21
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS
CFD NO. 15, IMPROVEMENT AREA NO. 2**

<i>Owner⁽¹⁾</i>	<i>Fiscal Year 2014-15 CFD No. 15, IA No. 2 Levy</i>	<i>Percent of Total Levy</i>	<i>Number of Parcels</i>	<i>CFD No. 15, IA No. 2 Outstanding Bond Amount^{(2)*}</i>	<i>RUSD GO Outstanding Bond Amount⁽³⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽³⁾</i>	<i>MWD GO Outstanding Bond Amount⁽³⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽³⁾</i>	<i>WRCOG HERO Program Outstanding Bond Amount⁽⁴⁾</i>	<i>Total Direct and Overlapping Debt[*]</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁵⁾</i>	<i>Value- to-Lien Ratio[*]</i>
Individual Owners	\$ 1,302,385	100.00%	403	\$ 14,715,000	\$ 1,012,438	\$ 85,255	\$ 6,794	\$ 421,345	\$ 141,588	\$ 16,382,420	\$ 148,448,235	9.06

* Preliminary, subject to change.

(1) Based on ownership as of January 1, 2014 provided by the Riverside County Assessor.

(2) \ Allocated based on share of Fiscal Year 2014-15 special tax levy.

(3) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(4) The WRCOG HERO Program is a Property Assessed Clean Energy (PACE) program under AB 811. Participating property owners enter into a contractual assessment with WRCOG to finance energy efficiency, renewable energy, and water conservation improvements on their property. Bonds are issued, and the assessments are paid back over time through an annual assessment on the property tax bill.

(5) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Value-to-lien Ratios by Range. The following table summarizes the assessed value-to-lien ratios within CFD No. 15 Improvement Area 2 by value-to-lien range.

**TABLE 22
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS BY RANGES
CFD NO. 15, IMPROVEMENT AREA NO. 2**

<i>Value-to-Lien Range</i>	<i>Number of Residential Units</i>	<i>Fiscal Year 2014-15 CFD No. 15, IA No. 2 Levy</i>	<i>CFD No. 15, IA No. 2 Outstanding Bond Amount^{(1)*}</i>	<i>Percent of Total CFD No. 15, IA No. 2 Outstanding Bond Amount[*]</i>	<i>RUSD GO Outstanding Bond Amount⁽²⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽²⁾</i>	<i>MWD GO Outstanding Bond Amount⁽²⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽²⁾</i>	<i>WRCOG HERO Program Outstanding Bond Amount⁽³⁾</i>	<i>Total Direct and Overlapping Debt[*]</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁴⁾</i>	<i>Percent of Total Fiscal Year 2014-15 Assessed Value[*]</i>	<i>Value-to-Lien Ratio[*]</i>
0.00-4.99	3 ⁽⁵⁾	\$ 9,024	\$ 101,954	0.69%	\$ 5,970	\$ 503	\$ 40	\$ 2,485	\$ 76,090	\$ 187,042	\$ 886,912	0.60%	4.74
5.00-9.99	307	977,290	11,041,917	75.04	718,653	60,516	4,822	299,081	65,498	12,190,488	105,523,693	71.08	8.66
10.00-14.99	93	316,071	3,571,129	24.27	287,814	24,236	1,931	119,779	0	4,004,890	42,037,630	28.32	10.50
15.00-19.99	0	0	0	0.00	0	0	0	0	0	0	0	0.00	NA
20.00 or Greater	0	0	0	0.00	0	0	0	0	0	0	0	0.00	NA
Total	403	\$ 1,302,385	\$ 14,715,000	100.00%	\$ 1,012,438	\$ 85,255	\$ 6,794	\$ 421,345	\$ 141,588	\$ 16,382,420	\$ 148,448,235	100.00%	9.06

* Preliminary, subject to change.

(1) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(2) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(3) The WRCOG HERO Program is a Property Assessed Clean Energy (PACE) program under AB 811. Participating property owners enter into a contractual assessment with WRCOG to finance energy efficiency, renewable energy, and water conservation improvements on their property. Bonds are issued, and the assessments are paid back over time through an annual assessment on the property tax bill.

(4) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

(5) Based on discussions with the Riverside County Assessor's Office, one parcel has reduced assessed value due to a change in ownership in 2009. Two parcels have outstanding assessment lien amounts for the WRCOG HERO Program.

Source: David Taussig & Associates, Inc.

Sample Tax. The following tables show the projected total effective tax rate for sample residential parcels in CFD No. 15 Improvement Area 2, based on the average square footage of the homes located on such parcels and other characteristics described in the tables.

TABLE 23A
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 09-150, 09-162
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 3 (3,101-3,400 SF)
CFD NO. 15, IMPROVEMENT AREA NO. 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾		\$356,905	
Average Unit Size for Developed Property ⁽²⁾		3,241 Square Feet	
Average Lot Size for Developed Property ⁽³⁾		9,844 Square Feet	
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 3,569.05	
Metropolitan Water District G.O. Bonds	0.00350	12.49	
City of Riverside G.O. Bonds	0.00626	22.34	
Riverside Unified School District G.O. Bonds	0.05307	189.41	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>63.92</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 3,857.22	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.77	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		31.44	
City of Riverside Library Services ⁽⁹⁾		19.00	
Riverside Unified School District CFD No. 15, IA No. 2 ⁽¹⁰⁾		<u>3,133.58</u>	<u>\$ 3,665.00</u>
Total Assessments and Parcel Charges		\$ 3,203.81	\$ 3,735.23
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 7,061.03</u>	<u>\$ 7,592.45</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.97840%	2.12730%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 117 Tax Class 3 units in CFD No. 15, IA No. 2 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 117 Tax Class 3 units in CFD No. 15, IA No. 2.

⁽³⁾ Based on the average lot size for 117 Tax Class 3 units in CFD No. 15, IA No. 2.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be 8.40 per benefit unit and the Fiscal Year 2016-17 rate will be 10.00 per benefit unit.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$31.44 per benefit unit. The rate does not increase.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

⁽¹⁰⁾ Based on the Riverside Unified School District CFD No. 15, IA No. 2 Fiscal Year 2014-15 actual Special Tax rate of \$3,133.58 per unit for Tax Class 3 property. Assigned Special Tax rate is \$3,665.00 per unit for Tax Class 3 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates.

TABLE 23B
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 88-092, 88-095
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 5 (2,501-2,800 SF)
CFD NO. 15, IMPROVEMENT AREA NO. 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾		\$373,000	
NET ASSESSED VALUE ⁽¹⁾		\$366,000	
Unit Size ⁽²⁾		2,619 Square Feet	
Lot Size ⁽³⁾		12,197 Square Feet	
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 3,660.00	
Metropolitan Water District G.O. Bonds	0.00350	12.81	
City of Riverside G.O. Bonds	0.00626	22.91	
Riverside Unified School District G.O. Bonds	0.05307	194.24	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>65.55</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 3,955.51	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.78	
County Service Area 152 – Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		31.44	
City of Riverside Library Services ⁽⁹⁾		19.00	
WRCOG HERO Funded Fiscal Year 2013-14 ⁽¹⁰⁾		4,356.52	
Riverside Unified School District CFD No. 15, IA No. 2 ⁽¹¹⁾		<u>2,911.28</u>	<u>\$ 3,405.00</u>
Total Assessments and Parcel Charges		\$ 7,338.04	\$ 7,831.76
 <i>PROJECTED TOTAL PROPERTY TAXES</i>		 <u>\$ 11,293.55</u>	 <u>\$ 11,787.27</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 3.02776%	 3.16013%

- (1) Based on assessed values for unit with highest WRCOG HERO PACE assessment in CFD No. 15, IA No. 2 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- (2) Based on actual unit size.
- (3) Based on actual lot size.
- (4) Actual Fiscal Year 2014-15 *ad valorem* rates.
- (5) Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- (6) Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be 8.40 per benefit unit and the Fiscal Year 2016-17 rate will be 10.00 per benefit unit.
- (7) Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- (8) Based on the Fiscal Year 2014-15 rate of \$31.44 per benefit unit. The rate does not increase.
- (9) Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.
- (10) Based on administrative expenses, principal and interest due on outstanding lien on March 1, 2015 and September 1, 2015.
- (11) Based on the Riverside Unified School District CFD No. 15, IA No. 2 Fiscal Year 2014-15 actual Special Tax rate of \$2,911.28 per unit for Tax Class 5 property. Assigned Special Tax rate is \$3,405.00 per unit for Tax Class 5 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates.

TABLE 23C
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 09-150, 09-162
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 6 (≤2,500 SF)
CFD NO. 15, IMPROVEMENT AREA NO. 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
\$298,528			
Average Unit Size for Developed Property ⁽²⁾			
2,093 Square Feet			
Average Lot Size for Developed Property ⁽³⁾			
8,959 Square Feet			
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,985.28	
Metropolitan Water District G.O. Bonds	0.00350	10.45	
City of Riverside G.O. Bonds	0.00626	18.69	
Riverside Unified School District G.O. Bonds	0.05307	158.43	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>53.47</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 3,226.31	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.76	
County Service Area 152 – Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		31.44	
City of Riverside Library Services ⁽⁹⁾		19.00	
Riverside Unified School District CFD No. 15, IA No. 2 ⁽¹⁰⁾		<u>2,776.20</u>	<u>\$ 3,247.00</u>
Total Assessments and Parcel Charges		\$ 2,846.42	\$ 3,317.22
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 6,072.73</u>	 <u>\$ 6,543.53</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 2.03423%	 2.19193%

(1) Based on average net assessed value plus \$7,000 homeowner's exemption for 30 Tax Class 6 units in CFD No. 15, IA No. 2 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

(2) Based on the average unit size for 30 Tax Class 6 units in CFD No. 15, IA No. 2.

(3) Based on the average lot size for 30 Tax Class 6 units in CFD No. 15, IA No. 2.

(4) Actual Fiscal Year 2014-15 *ad valorem* rates.

(5) Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

(6) Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be 8.40 per benefit unit and the Fiscal Year 2016-17 rate will be 10.00 per benefit unit.

(7) Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

(8) Based on the Fiscal Year 2014-15 rate of \$31.44 per benefit unit. The rate does not increase.

(9) Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

(10) Based on the Riverside Unified School District CFD No. 15, IA No. 2 Fiscal Year 2014-15 actual Special Tax rate of \$2,776.20 per unit for Tax Class 6 property. Assigned Special Tax rate is \$3,247.00 per unit for Tax Class 6 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in CFD No. 15 Improvement Area 2 for Fiscal Year 2009-10 through Fiscal Year 2013-14.

TABLE 24
SPECIAL TAX DELINQUENCY HISTORY
FISCAL YEARS 2009-10 THROUGH 2013-14
CFD NO. 15, IMPROVEMENT AREA NO. 2

<i>Fiscal Year</i>	<i>Total Amount Levied</i>	<i>Total Number of Parcels Levied</i>	<i>Total Delinquent Special Taxes at Fiscal Year End⁽¹⁾</i>	<i>Delinquency Rate at Fiscal Year End</i>	<i>Total Number of Parcels Delinquent as of 11/3/2014</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
2009-10	\$1,523,254	403	\$100,058	6.57%	1	\$ 1,833 ⁽²⁾	0.12%
2010-11	1,447,094	403	58,818	4.06	2	6,964 ⁽³⁾	0.48
2011-12	1,302,385	403	30,578	2.35	2	6,267 ⁽³⁾	0.48
2012-13	1,302,385	403	39,286	3.02	3	9,853 ⁽³⁾	0.76
2013-14	1,302,385	403	16,499	1.27	3	9,853 ⁽³⁾	0.76

⁽¹⁾ Amount delinquent as of June 30 of the fiscal year in which special taxes were levied.

⁽²⁾ Includes delinquent amount for one parcel in CFD No. 15, IA No. 2 currently under foreclosure.

⁽³⁾ Includes delinquent amounts for two parcels in CFD No. 15, IA No. 2 currently under foreclosure.

Source: David Taussig & Associates, Inc.

**INSERT AREA MAP FOR
CFD NO. 17**

CFD NO. 17

Location and Description. CFD No. 17 was formed by the School District in August 2004 to finance various public improvements needed to develop property located within CFD No. 17. CFD No. 17 consists of approximately 16.8 acres in an area known as Mockingbird Canyon and is located approximately 5 miles southwest of the downtown area of the City of Riverside. CFD No. 17 includes 110 taxable parcels. CFD No. 17 is completely built out with 110 completed single family detached homes which have been conveyed to individual homeowners.

Assigned Special Taxes. The following table shows the Assigned Special Taxes and the actual Special Taxes that were levied on parcels of property in CFD No. 17 for Fiscal Year 2014-15 and the percentages of the total Special Tax levy. The final maturity of the CFD No. 17 Bonds is September 1, 2035.

**TABLE 25
FISCAL YEAR 2014-15 ASSIGNED AND ACTUAL SPECIAL TAXES
CFD NO. 17**

<i>Property Classification/ Tax Class⁽¹⁾</i>	<i>Number of Units/Acres</i>	<i>Fiscal Year 2014-15 Assigned Special Tax per Unit/Acre⁽²⁾</i>	<i>Total Fiscal Year 2014-15 Assigned Special Tax</i>	<i>Fiscal Year 2014-15 Actual Special Tax per Unit/Acre</i>	<i>Fiscal Year 2014-15 Levy</i>	<i>Percent of Maximum Special Tax</i>
Developed Property						
Tax Class 1 (SFD ≥ 2,000 SF)	58 Units	\$ 2,267.02	\$ 131,487.16	\$ 1,689.64	\$ 97,999.12	74.53%
Tax Class 2 (SFD 1,500 - 1,999 SF)	40 Units	1,993.42	79,736.80	1,485.72	59,428.80	74.53
Tax Class 3 (SFD < 1,500 SF)	<u>12 Units</u>	<u>1,719.82</u>	<u>20,637.84</u>	<u>1,281.80</u>	<u>15,381.60</u>	<u>74.53</u>
Total	110 Units	NA	\$ 231,861.80	NA	\$ 172,809.52	74.53%

⁽¹⁾ Classification pursuant to the Rate and Method of Apportionment.

⁽²⁾ The Assigned Special Tax rates increase by 2.00% per year.

Source: David Taussig & Associates, Inc.

For the complete text of the CFD No. 17 Rate and Method, see APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

Estimated Direct and Overlapping Indebtedness. Within the boundaries of CFD No. 17 are numerous overlapping local agencies providing public services. The only outstanding debt secured by a special tax or assessment on the parcels within CFD No. 17 is the Community Facilities District No. 17 (Aldea Village) of Riverside Unified School District 2005 Special Tax Bonds (the “Prior CFD No. 17 Bonds”). However, Table 26 below does not include the Prior CFD No. 17 Bonds and instead includes the \$2,330,000* aggregate principal amount of the Community Facilities District No. 17 of Riverside Unified School District, 2015 Special Tax Refunding Bonds (the “CFD No. 17 Bonds”) being issued to refund the Prior CFD No. 17 Bonds. In addition, there is \$246,295 outstanding principal amount of general obligation bonds allocable to CFD No. 17 based on the current assessed value of CFD No. 17 relative to the current assessed value within the boundaries of the applicable taxing jurisdiction issuing the general obligation bonds.

* Preliminary, subject to change.

**TABLE 26
DIRECT AND OVERLAPPING DEBT SUMMARY
AS OF SEPTEMBER 2, 2014
CFD NO. 17**

<i>Overlapping District</i>	<i>Actual Fiscal Year 2014-15 Total Levy</i>	<i>Amount of Levy on Parcels in District</i>	<i>Percent on Levy on Parcels in District</i>	<i>Total Debt Outstanding⁽¹⁾</i>	<i>District Share of Total Debt Outstanding</i>
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$12,579 ⁽²⁾	0.1183%	\$138,110,000	\$ 163,425
City of Riverside G.O. Bonds	1,444,251	1,484 ⁽²⁾	0.1027	13,395,000	13,762
Metropolitan Water District G.O. Bonds	100,066,262	830 ⁽²⁾	0.0008	132,275,000	1,097
Riverside City Community College G.O. Bonds	14,174,770	4,245 ⁽²⁾	0.0299	227,097,323 ⁽³⁾	<u>68,012</u>
				Estimated Share of Overlapping Debt Allocable to the District	\$ 246,295
				Plus the Series 2014 Refunding CFD No. 17 Bonds	<u>\$ 2,330,000*</u>
				Estimated Share of Direct and Overlapping Debt Allocable to the District	\$ 2,576,295*

* Preliminary, subject to change.

(1) As of September 2, 2014. Principal for City of Riverside GO Bonds and Community College Bonds is made on August 1 of each year. Principal for MWD GO Bonds is made on March 1 of each year. All other districts pay principal on September 1 of each year.

(2) Estimated Fiscal Year 2014-15 levy. Calculated by multiplying the Fiscal Year 2014-15 *ad valorem* rate by the Fiscal Year 2014-15 net assessed value.

(3) Includes 2014 GO Refunding Bonds, Series A & B, issued May 29, 2014.

Source: David Taussig & Associates, Inc.

Value-to-Lien Ratios. The total assessed values of all of the taxable property in CFD No. 17, as determined by the County Assessor for Fiscal Year 2014-15, is \$23,940,620. The direct and overlapping land secured special tax, assessment and general obligation bonded indebtedness within CFD No. 17 as of September 2, 2014 was approximately \$2,576,295*. The assessed value-to-lien ratio of the property within CFD No. 17, based on the Fiscal Year 2014-15 assessed values, the aggregate principal amount of the CFD No. 17 Bonds and the estimated direct and overlapping land secured special tax, and assessment and general obligation bonded indebtedness within CFD No. 17 is approximately 9.29-to-1*. The following table summarizes the assessed value-to-lien ratios within CFD No. 17 by owner.

* Preliminary, subject to change.

**TABLE 27
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS
CFD NO. 17**

<i>Owner⁽¹⁾</i>	<i>Fiscal Year 2014-15 CFD No. 17 Levy</i>	<i>Percent of Total Levy</i>	<i>Number of Parcels</i>	<i>CFD No. 17 Outstanding Bond Amount^{(2)*}</i>	<i>RUSD GO Outstanding Bond Amount⁽³⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽³⁾</i>	<i>MWD GO Outstanding Bond Amount⁽³⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽³⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁴⁾</i>	<i>Value- to-Lien Ratio*</i>
Individual Owners	\$ 172,810	100.00%	110	\$2,330,000	\$ 163,425	\$ 13,762	\$ 1,097	\$ 68,012	\$ 2,576,295	\$ 23,940,620	9.29

* Preliminary, subject to change.

(1) Based on ownership as of January 1, 2014 provided by the Riverside County Assessor.

(2) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(3) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(4) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Value-to-lien Ratios by Range. The following table summarizes the assessed value-to-lien ratios within CFD No. 17 by value-to-lien range.

**TABLE 28
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS BY RANGES
CFD NO. 17**

<i>Value-to-Lien Range</i>	<i>Number of Residential Units</i>	<i>Fiscal Year 2014-15 CFD No. 17 Levy</i>	<i>CFD No. 17 Outstanding Bond Amount^{(1)*}</i>	<i>Percent of Total CFD No. 17 Outstanding Bond Amount*</i>	<i>RUSD GO Outstanding Bond Amount⁽²⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽²⁾</i>	<i>MWD GO Outstanding Bond Amount⁽²⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽²⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽³⁾</i>	<i>Percent of Total Fiscal Year 2014-15 Assessed Value*</i>	<i>Value-to-Lien Ratio*</i>
0.00-4.99	0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.00%	NA
5.00-9.99	68	107,758	1,452,911	62.36	89,509	7,537	601	37,251	1,587,809	13,087,086	54.66	8.24
10.00-14.99	42	65,051	877,089	37.64	73,916	6,224	496	30,762	988,487	10,853,534	45.34	10.98
15.00-19.99	0	0	0	0.00	0	0	0	0	0	0	0.00	NA
20.00 or Greater	0	0	0	0.00	0	0	0	0	0	0	0.00	NA
Total	110	\$ 172,810	\$ 2,330,000	100.00%	\$ 163,425	\$ 13,762	\$ 1,097	\$ 68,012	\$ 2,576,295	\$ 23,940,620	100.00%	9.29

* Preliminary, subject to change.

(1) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(2) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(3) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Sample Tax Bill. The following table shows the projected total effective tax rate for sample residential parcels in CFD No. 17, based on the average square footage of the homes located on such parcels and other characteristics described in the table.

TABLE 29
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 09-158
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥2,000 SF)
CFD NO. 17

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾		\$232,466	
Average Unit Size for Developed Property ⁽²⁾		2,173 Square Feet	
Average Lot Size for Developed Property ⁽³⁾		3,530 Square Feet	
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,324.66	
Metropolitan Water District G.O. Bonds	0.00350	8.14	
City of Riverside G.O. Bonds	0.00626	14.55	
Riverside Unified School District G.O. Bonds	0.05307	123.37	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>41.63</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,512.36	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 1.82	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		31.44	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 17 ⁽¹¹⁾		<u>1,689.64</u>	<u>\$ 2,267.02</u>
Total Assessments and Parcel Charges		\$ 1,767.62	\$ 2,345.00
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 4,279.98</u>	<u>\$ 4,857.36</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.84112%	2.08949%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 58 Tax Class 1 units in CFD No. 17, as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 58 Tax Class 1 units in CFD No. 17.

⁽³⁾ Based on the average lot size for 58 Tax Class 1 units in CFD No. 17.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit, and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$31.44 per benefit unit. The rate does not increase.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.

⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 17 Fiscal Year 2014-15 actual Special Tax rate of \$1,689.64 per unit for Tax Class 1 property. Assigned Special Tax rate is \$2,267.02 per unit for Tax Class 1 property. The Assigned Special Tax rate escalates annually by 2%.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in CFD No. 17 for Fiscal Year 2009-10 through Fiscal Year 2013-14.

**TABLE 30
SPECIAL TAX DELINQUENCY HISTORY
FISCAL YEARS 2009-10 THROUGH 2013-14
CFD NO. 17**

<i>Fiscal Year</i>	<i>Total Amount Levied</i>	<i>Total Number of Parcels Levied</i>	<i>Total Delinquent Special Taxes at Fiscal Year End⁽¹⁾</i>	<i>Delinquency Rate at Fiscal Year End</i>	<i>Total Number of Parcels Delinquent as of 11/3/2014</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
2009-10	\$180,677	110	\$8,193	4.53%	1	\$ 1,553 ⁽²⁾	0.86%
2010-11	171,642	110	4,427	2.58	1	1,476 ⁽²⁾	0.86
2011-12	163,060	110	6,501	3.99	2	2,103 ⁽²⁾	1.29
2012-13	163,060	110	4,302	2.64	1	1,402 ⁽²⁾	0.86
2013-14	166,321	110	3,673	2.21	0	0	0.00

⁽¹⁾ Amount delinquent as of June 30 of the fiscal year in which special taxes were levied.

⁽²⁾ Includes delinquent amount for one parcel in CFD No. 17 currently under foreclosure.

Source: David Taussig & Associates, Inc.

**INSERT AREA MAP FOR
CFD NO. 18**

CFD NO. 18

Location and Description. CFD No. 18 was formed by the School District in April 2004 to finance various public improvements needed to develop property located within CFD No. 18. CFD No. 18 consists of approximately 160 acres in an area known as Mockingbird Canyon and is located approximately 5 miles southwest of the downtown area of the City of Riverside. CFD No. 18 includes 72 taxable parcels. CFD No. 18 is completely built out with 72 completed single family detached homes which have been conveyed to individual homeowners.

Assigned Special Taxes. The following table shows the Assigned Special Taxes and the actual Special Taxes that were levied on parcels of property in CFD No. 18 for Fiscal Year 2014-15 and the percentages of the total Special Tax levy. The final maturity of the CFD No. 18 Bonds is September 1, 2034.

**TABLE 31
FISCAL YEAR 2014-15 ASSIGNED AND ACTUAL SPECIAL TAXES
CFD NO. 18**

<i>Property Classification/ Tax Class⁽¹⁾</i>	<i>Number of Units/Acres</i>	<i>Fiscal Year 2014-15 Assigned Special Tax per Unit/Acre</i>	<i>Total Fiscal Year 2014-15 Assigned Special Tax</i>	<i>Fiscal Year 2014-15 Actual Special Tax per Unit/Acre</i>	<i>Fiscal Year 2014-15 Levy</i>	<i>Percent of Maximum Special Tax</i>
Developed Property						
Tax Class 1 (SFD ≥ 4,150 SF)	7 Units	\$ 3,925.00	\$ 27,475.00	\$ 3,036.96	\$ 21,258.72	77.37%
Tax Class 2 (SFD 3,900 - 4,149 SF)	37 Units	3,703.00	137,011.00	2,865.20	106,012.40	77.37
Tax Class 3 (SFD < 3,900 SF)	<u>28 Units</u>	<u>3,407.00</u>	<u>95,396.00</u>	<u>2,636.16</u>	<u>73,812.48</u>	<u>77.37</u>
Total	72 Units	NA	\$ 259,882.00	NA	\$ 201,083.60	77.37%

⁽¹⁾ Classification pursuant to the Rate and Method of Apportionment.
Source: David Taussig & Associates, Inc.

For the complete text of the CFD No. 18 Rate and Method, see APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

Estimated Direct and Overlapping Indebtedness. Within the boundaries of CFD No. 18 are numerous overlapping local agencies providing public services. The only outstanding debt secured by a special tax or assessment on the parcels within CFD No. 18 is the Community Facilities District No. 18 of Riverside Unified School District 2005 Special Tax Bonds (the “Prior CFD No. 18 Bonds”). However, Table 32 below does not include the Prior CFD No. 18 Bonds and instead includes the \$2,165,000* aggregate principal amount of the Community Facilities District No. 18 of Riverside Unified School District, 2015 Special Tax Refunding Bonds (the “CFD No. 18 Bonds”) being issued to refund the Prior CFD No. 18 Bonds. In addition, there is \$537,834 outstanding principal amount of general obligation bonds allocable to CFD No. 18 based on the current assessed value of CFD No. 18 relative to the current assessed value within the boundaries of the applicable taxing jurisdiction issuing the general obligation bonds.

* Preliminary, subject to change.

**TABLE 32
DIRECT AND OVERLAPPING DEBT SUMMARY
AS OF SEPTEMBER 2, 2014
CFD NO. 18**

<i>Overlapping District</i>	<i>Actual Fiscal Year 2014-15 Total Levy</i>	<i>Amount of Levy on Parcels in District</i>	<i>Percent on Levy on Parcels in District</i>	<i>Total Debt Outstanding⁽¹⁾</i>	<i>District Share of Total Debt Outstanding</i>
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$27,469 ⁽²⁾	0.2584%	\$138,110,000	\$ 356,870
City of Riverside G.O. Bonds	1,444,251	3,240 ⁽²⁾	0.2243	13,395,000	30,051
Metropolitan Water District G.O. Bonds	100,066,262	1,812 ⁽²⁾	0.0018	132,275,000	2,395
Riverside City Community College G.O. Bonds	14,174,770	9,270 ⁽²⁾	0.0654	227,097,323 ⁽³⁾	<u>148,518</u>
				Estimated Share of Overlapping Debt Allocable to the District	\$ 537,834
				Plus the Series 2014 Refunding CFD No. 18 Bonds	<u>\$ 2,165,000*</u>
				Estimated Share of Direct and Overlapping Debt Allocable to the District	\$ 2,702,834*

* Preliminary, subject to change.

(1) As of September 2, 2014. Principal for City of Riverside GO Bonds and Community College Bonds is made on August 1 of each year. Principal for MWD GO Bonds is made on March 1 of each year. All other districts pay principal on September 1 of each year.

(2) Estimated Fiscal Year 2014-15 levy. Calculated by multiplying the Fiscal Year 2014-15 *ad valorem* rate by the Fiscal Year 2014-15 net assessed value.

(3) Includes 2014 GO Refunding Bonds, Series A & B, issued May 29, 2014.

Source: David Taussig & Associates, Inc.

Value-to-Lien Ratios. The total assessed values of all of the taxable property in CFD No. 18, as determined by the County Assessor for Fiscal Year 2014-15, is \$52,072,832. The direct and overlapping land secured special tax, assessment and general obligation bonded indebtedness within CFD No. 18 as of September 2, 2014 was approximately \$2,702,834*. The assessed value-to-lien ratio of the property within CFD No. 18, based on the Fiscal Year 2014-15 assessed values, the aggregate principal amount of the CFD No. 18 Bonds and the estimated direct and overlapping land secured special tax, and assessment and general obligation bonded indebtedness within CFD No. 18 is approximately 19.27-to-1*. The following table summarizes the assessed value-to-lien ratios within CFD No. 18 by owner.

* Preliminary, subject to change.

**TABLE 33
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS
CFD NO. 18**

<i>Owner⁽¹⁾</i>	<i>Fiscal Year 2014-15 CFD No. 18 Levy</i>	<i>Percent of Total Levy</i>	<i>Number of Parcels</i>	<i>CFD No. 18 Outstanding Bond Amount^{(2)*}</i>	<i>RUSD GO Outstanding Bond Amount⁽³⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽³⁾</i>	<i>MWD GO Outstanding Bond Amount⁽³⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽³⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁴⁾</i>	<i>Value- to-Lien Ratio*</i>
Individual Owners	\$ 201,084	100.00%	72	\$ 2,165,000	\$ 356,870	\$ 30,051	\$ 2,395	\$ 148,518	\$ 2,702,834	\$ 52,072,832	19.27

* Preliminary, subject to change.

(1) Based on ownership as of January 1, 2014 provided by the Riverside County Assessor.

(2) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(3) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(4) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Value-to-lien Ratios by Range. The following table summarizes the assessed value-to-lien ratios within CFD No. 18 by value-to-lien range.

**TABLE 34
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS BY RANGES
CFD NO. 18**

<i>Value-to-Lien Range</i>	<i>Number of Residential Units</i>	<i>Fiscal Year 2014-15 CFD No. 18 Levy</i>	<i>CFD No. 18 Outstanding Bond Amount^{(1)*}</i>	<i>Percent of Total CFD No. 18 Outstanding Bond Amount*</i>	<i>RUSD GO Outstanding Bond Amount⁽²⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽²⁾</i>	<i>MWD GO Outstanding Bond Amount⁽²⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽²⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽³⁾</i>	<i>Percent of Total Fiscal Year 2014-15 Assessed Value*</i>	<i>Value-to-Lien Ratio*</i>
0.00-4.99	0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.00%	NA
5.00-9.99	0	0	0	0.00	0	0	0	0	0	0	0.00	NA
10.00-14.99	7	18,911	203,611	9.40	23,093	1,945	155	9,611	238,414	3,370,347	6.47	14.14
15.00-19.99	32	89,052	958,797	44.29	139,607	11,756	937	58,100	1,169,198	20,414,791	39.20	17.46
20.00 or Greater	33	93,120	1,002,592	46.31	194,169	16,351	1,303	80,807	1,295,222	28,287,694	54.32	21.84
Total	72	\$ 201,084	\$ 2,165,000	100.00%	\$ 356,870	\$ 30,051	\$ 2,395	\$ 148,518	\$ 2,702,834	\$ 52,072,832	100.00%	19.27

* Preliminary, subject to change.

(1) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(2) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(3) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Sample Tax Bill. The following tables show the projected total effective tax rate for sample residential parcels in CFD No. 18, based on the average square footage of the homes located on such parcels and other characteristics described in the tables.

TABLE 35A
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 09-002
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 2 (3,900-4,149 SF)
CFD NO. 18

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾	\$752,923		
Average Unit Size for Developed Property ⁽²⁾	4,012 Square Feet		
Average Lot Size for Developed Property ⁽³⁾	92,359 Square Feet		
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 7,529.23	
Metropolitan Water District G.O. Bonds	0.00350	26.35	
City of Riverside G.O. Bonds	0.00626	47.13	
Riverside Unified School District G.O. Bonds	0.05307	399.58	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>134.85</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 8,137.14	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 4.48	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		31.44	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 18 ⁽¹¹⁾		<u>2,865.20</u>	<u>\$ 3,703.00</u>
Total Assessments and Parcel Charges		\$ 2,945.84	\$ 3,783.64
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 11,082.99</u>	<u>\$ 11,920.79</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.47199%	1.58327%

- ⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 37 Tax Class 2 units in CFD No. 18, as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- ⁽²⁾ Based on the average unit size for 37 Tax Class 2 units in CFD No. 18.
- ⁽³⁾ Based on the average lot size for 37 Tax Class 2 units in CFD No. 18.
- ⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.
- ⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- ⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be 8.40 per benefit unit and the Fiscal Year 2016-17 rate will be 10.00 per benefit unit.
- ⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- ⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$31.44 per benefit unit. Some larger lots may be assessed at more than one benefit unit. The first unit of benefit is the first 199 feet of street frontage, with one additional unit of benefit for each 100 feet of street frontage, thereafter. The rate does not increase.
- ⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.
- ⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.
- ⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 18 Fiscal Year 2014-15 actual Special Tax rate of \$2,865.20 per unit for Tax Class 2 property. Assigned Special Tax rate is \$3,703.00 per unit for Tax Class 2 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 35A
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 09-002
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 3 (<3,900 SF)
CFD NO. 18

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
Average Unit Size for Developed Property ⁽²⁾			
Average Lot Size for Developed Property ⁽³⁾			
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 6,566.42	
Metropolitan Water District G.O. Bonds	0.00350	22.98	
City of Riverside G.O. Bonds	0.00626	41.11	
Riverside Unified School District G.O. Bonds	0.05307	348.48	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>117.60</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 7,096.59	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 4.32	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		15.50	
City of Riverside Lighting District ⁽⁸⁾		31.44	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 18 ⁽¹¹⁾		<u>2,636.16</u>	<u>\$ 3,407.00</u>
Total Assessments and Parcel Charges		\$ 2,722.92	\$ 3,493.76
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 9,819.51</u>	<u>\$ 10,590.35</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.49541%	1.61280%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 28 Tax Class 3 units in CFD No. 18, as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 28 Tax Class 3 units in CFD No. 18.

⁽³⁾ Based on the average lot size for 28 Tax Class 3 units in CFD No. 18.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be 8.40 per benefit unit and the Fiscal Year 2016-17 rate will be 10.00 per benefit unit.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$31.44 per benefit unit. Some larger lots may be assessed at more than one benefit unit. The first unit of benefit is the first 199 feet of street frontage, with one additional unit of benefit for each 100 feet of street frontage, thereafter. The rate does not increase.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.

⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 18 Fiscal Year 2014-15 actual Special Tax rate of \$2,636.16 per unit for Tax Class 3 property. Assigned Special Tax rate is \$3,407.00 per unit for Tax Class 3 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in CFD No. 18 for Fiscal Year 2009-10 through Fiscal Year 2013-14.

**TABLE 36
SPECIAL TAX DELINQUENCY HISTORY
FISCAL YEARS 2009-10 THROUGH 2013-14
CFD NO. 18**

<i>Fiscal Year</i>	<i>Total Amount Levied</i>	<i>Total Number of Parcels Levied</i>	<i>Total Delinquent Special Taxes at Fiscal Year End⁽¹⁾</i>	<i>Delinquency Rate at Fiscal Year End</i>	<i>Total Number of Parcels Delinquent as of 11/3/2014</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
2009-10	\$247,563	72	\$17,285	6.98%	0	\$ 0	0.00%
2010-11	235,185	72	3,351	1.42	0	0	0.00
2011-12	211,667	72	1,387	0.66	0	0	0.00
2012-13	201,084	72	5,501	2.74	0	0	0.00
2013-14	201,084	72	2,636	1.31	0	0	0.00

⁽¹⁾ Amount delinquent as of June 30 of the fiscal year in which special taxes were levied.
Source: David Taussig & Associates, Inc.

**INSERT AREA MAP FOR
CFD NO. 21
IMPROVEMENT AREA 2**

CFD NO. 21 AND IMPROVEMENT AREA 2

Location and Description. CFD No. 21 and Improvement Area 2 therein was formed by the School District in December 2005 to finance various public improvements needed to develop property located within CFD No. 21. CFD No. 21 Improvement Area 2 contains approximately 69.94 acres and is located in the northwest portion of the City of Riverside. CFD No. 21 Improvement Area 2 includes 65 taxable parcels. CFD No. 21 Improvement Area 2 is completely built out with 65 completed single family detached homes which have been conveyed to individual homeowners.

Assigned Special Taxes. The following table shows the Assigned Special Taxes and the actual Special Taxes that were levied on parcels of property in CFD No. 21 Improvement Area 2 for Fiscal Year 2014-15 and the percentages of the total Special Tax levy. The final maturity of the CFD No. 21-2 Bonds is September 1, 2037.

**TABLE 37
FISCAL YEAR 2014-15 ASSIGNED AND ACTUAL SPECIAL TAXES
CFD NO. 21, IMPROVEMENT AREA NO. 2**

<i>Property Classification/ Tax Class⁽¹⁾</i>	<i>Number of Units/Acres</i>	<i>Fiscal Year 2014-15 Assigned Special Tax per Unit/Acre⁽²⁾</i>	<i>Total Fiscal Year 2014-15 Assigned Special Tax</i>	<i>Fiscal Year 2014-15 Actual Special Tax per Unit/Acre</i>	<i>Fiscal Year 2014-15 Levy</i>	<i>Percent of Maximum Special Tax</i>
Developed Property						
Tax Class 1 (SFD ≥ 5,000 SF)	29 Units	\$ 4,238.99	\$ 122,930.71	\$ 3,244.54	\$ 94,091.66	76.54%
Tax Class 2 (SFD 4,000 - 4,999 SF)	30 Units	3,949.78	118,493.40	3,023.16	90,694.80	76.54
Tax Class 8 (SFD < 4,000 SF)	6 Units	3,603.20	21,619.20	2,757.90	16,547.40	76.54
Total	65 Units	NA	\$ 263,043.31	NA	\$ 201,333.86	76.54%

⁽¹⁾ Classification pursuant to the Rate and Method of Apportionment.

⁽²⁾ The Assigned Special Tax rates increase by 2.00% per year.

Source: David Taussig & Associates, Inc.

For the complete text of the CFD No. 21 Improvement Area 2 Rate and Method, see APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

Estimated Direct and Overlapping Indebtedness. Within the boundaries of CFD No. 21 Improvement Area 2 are numerous overlapping local agencies providing public services. The only outstanding debt secured by a special tax or assessment on the parcels within CFD No. 21 Improvement Area 2 is the Community Facilities District No. 21 of Riverside Unified School District 2007 Special Tax Bonds, Series A (Improvement Area No. 2) (the “Prior CFD No. 21-2 Bonds”). However, Table 38 below does not include the Prior CFD No. 21-2 Bonds and instead includes the \$2,830,000* aggregate principal amount of the Community Facilities District No. 21 of Riverside Unified School District, 2015 Special Tax Refunding Bonds (Improvement Area 2) (the “CFD No. 21 Bonds”) being issued to refund the Prior CFD No. 21-2 Bonds. In addition, there is \$424,147 outstanding principal amount of general obligation bonds allocable to CFD No. 21 Improvement Area 2 based on the current assessed value of CFD No. 21 Improvement Area 2 relative to the current assessed value within the boundaries of the applicable taxing jurisdiction issuing the general obligation bonds.

* Preliminary, subject to change.

**TABLE 38
DIRECT AND OVERLAPPING DEBT SUMMARY
AS OF SEPTEMBER 2, 2014
CFD NO. 21, IMPROVEMENT AREA NO. 2**

<i>Overlapping District</i>	<i>Actual Fiscal Year 2014-15 Total Levy</i>	<i>Amount of Levy on Parcels in District</i>	<i>Percent on Levy on Parcels in District</i>	<i>Total Debt Outstanding⁽¹⁾</i>	<i>District Share of Total Debt Outstanding</i>
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$20,432 ⁽²⁾	0.1922%	\$138,110,000	\$ 265,453
Metropolitan Water District G.O. Bonds	100,066,262	1,348 ⁽²⁾	0.0013	132,275,000	1,781
Riverside City Community College G.O. Bonds	14,174,770	6,895 ⁽²⁾	0.0486	227,097,323 ⁽³⁾	110,473
WRCOG HERO Program ⁽⁴⁾	NA	4,843	NA	46,440	<u>46,440⁽⁵⁾</u>
				Estimated Share of Overlapping Debt Allocable to the District	\$ 424,147
				Plus the Series 2014 Refunding CFD No. 21, IA No. 2 Bonds	<u>\$ 2,830,000*</u>
				Estimated Share of Direct and Overlapping Debt Allocable to the District	\$ 3,254,147*

* Preliminary, subject to change.

(1) As of September 2, 2014. Principal for City of Riverside GO Bonds and Community College Bonds is made on August 1 of each year. Principal for MWD GO Bonds is made on March 1 of each year. All other districts pay principal on September 1 of each year.

(2) Estimated Fiscal Year 2014-15 levy. Calculated by multiplying the Fiscal Year 2014-15 *ad valorem* rate by the Fiscal Year 2014-15 net assessed value.

(3) Includes 2014 GO Refunding Bonds, Series A & B, issued May 29, 2014.

(4) The WRCOG HERO Program is a Property Assessed Clean Energy (PACE) program under AB 811. Participating property owners enter into a contractual assessment with WRCOG to finance energy efficiency, renewable energy, and water conservation improvements on their property. Bonds are issued, and the assessments are paid back over time through an annual assessment on the property tax bill.

(5) Includes outstanding assessment lien for one parcel in CFD 21, IA No. 2.

Source: David Taussig & Associates, Inc.

Value-to-Lien Ratios. The total assessed values of all of the taxable property in CFD No. 21 Improvement Area 2, as determined by the County Assessor for Fiscal Year 2014-15, is \$38,730,078. The direct and overlapping land secured special tax, assessment and general obligation bonded indebtedness within CFD No. 21 Improvement Area 2 as of September 2, 2014 was approximately \$3,254,147*. The assessed value-to-lien ratio of the property within CFD No. 13 Improvement Area 2, based on the Fiscal Year 2014-15 assessed values, the aggregate principal amount of the CFD No. 21-2 Bonds and the estimated direct and overlapping land secured special tax, and assessment and general obligation bonded indebtedness within CFD No. 21 Improvement Area 2 is approximately 11.90-to-1*. The following table summarizes the assessed value-to-lien ratios within CFD No. 21 Improvement Area 2 by owner.

* Preliminary, subject to change.

TABLE 39
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS
CFD NO. 21, IMPROVEMENT AREA NO. 2

<i>Owner⁽¹⁾</i>	<i>Fiscal Year 2014-15 CFD</i>		<i>Number of Parcels</i>	<i>CFD No. 21, IA No. 2</i>				<i>WRCOG HERO Program</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁵⁾</i>	<i>Value-to-Lien Ratio*</i>
	<i>No. 21, IA No. 2 Levy</i>	<i>Percent of Total Levy</i>		<i>Outstanding Bond Amount^{(2)*}</i>	<i>RUSD GO Outstanding Bond Amount⁽³⁾</i>	<i>MWD GO Outstanding Bond Amount⁽³⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽³⁾</i>	<i>Outstanding Bond Amount⁽⁴⁾</i>			
Individual Owners	\$ 201,334	100.00%	65	\$2,830,000	\$ 265,453	\$ 1,781	\$ 110,473	\$ 46,440	\$ 3,254,147	\$ 38,730,078	11.90

* Preliminary, subject to change.

(1) Based on ownership as of January 1, 2014 provided by the Riverside County Assessor.

(2) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(3) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(4) The WRCOG HERO Program is a Property Assessed Clean Energy (PACE) program under AB 811. Participating property owners enter into a contractual assessment with WRCOG to finance energy efficiency, renewable energy, and water conservation improvements on their property. Bonds are issued, and the assessments are paid back over time through an annual assessment on the property tax bill.

(5) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Value-to-lien Ratios by Range. The following table summarizes the assessed value-to-lien ratios within CFD No. 21 Improvement Area 2 by value-to-lien category.

**TABLE 40
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS BY RANGES
CFD NO. 21, IMPROVEMENT AREA NO. 2**

<i>Value-to-Lien Range</i>	<i>Number of Residential Units</i>	<i>Fiscal Year 2014-15 CFD No. 21, IA No. 2 Levy</i>	<i>CFD No. 21, IA No. 2 Outstanding Bond Amount^{(1)*}</i>	<i>Percent of Total CFD No. 21, IA No. 2 Outstanding Bond Amount*</i>	<i>RUSD GO Outstanding Bond Amount⁽²⁾</i>	<i>MWD GO Outstanding Bond Amount⁽²⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽²⁾</i>	<i>WRCOG HERO Program Outstanding Bond Amount⁽³⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁴⁾</i>	<i>Percent of Total Fiscal Year 2014-15 Assessed Value*</i>	<i>Value-to-Lien Ratio*</i>
0.00-4.99	0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.00%	NA
5.00-9.99	4	12,757	179,313	6.34	14,389	97	5,988	46,440	246,226	2,093,919	5.41	8.50
10.00-14.99	61	188,577	2,650,687	93.66	251,064	1,685	104,485	0	3,007,922	36,636,159	94.59	12.18
15.00-19.99	0	0	0	0.00	0	0	0	0	0	0	0.00	NA
20.00 or Greater	0	0	0	0.00	0	0	0	0	0	0	0.00	NA
Total	65	\$ 201,334	\$ 2,830,000	100.00%	\$ 265,453	\$ 1,781	\$ 110,473	\$ 46,440	\$ 3,254,147	\$ 38,730,078	100.00%	11.90

* Preliminary, subject to change.

(1) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(2) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(3) The WRCOG HERO Program is a Property Assessed Clean Energy (PACE) program under AB 811. Participating property owners enter into a contractual assessment with WRCOG to finance energy efficiency, renewable energy, and water conservation improvements on their property. Bonds are issued, and the assessments are paid back over time through an annual assessment on the property tax bill.

(4) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Sample Tax Bill. The following tables show the projected total effective tax rate for sample residential parcels in CFD No. 21 Improvement Area 2, based on the average square footage of the homes located on such parcels and other characteristics described in the tables.

TABLE 41A
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 88-093
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥5,000 SF)
CFD NO. 21, IMPROVEMENT AREA NO. 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
Average Unit Size for Developed Property ⁽²⁾			
Average Lot Size for Developed Property ⁽³⁾			
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 6,156.09	
Metropolitan Water District G.O. Bonds	0.00350	21.55	
Riverside Unified School District G.O. Bonds	0.05307	326.70	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>110.26</u>	
Total General Property Taxes and Overrides	1.07448%	\$ 6,614.59	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 4.04	
County Service Area 87 - Street Lights ⁽⁶⁾		58.62	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 NPDES ⁽⁸⁾		40.00	
Lighting & Landscaping Maintenance District No. 89-1-C Zone 26 ⁽⁹⁾		138.58	
Riverside Unified School District CFD No. 10, Tax Zone B ⁽¹⁰⁾		<u>3,244.54</u>	<u>\$ 4,238.99</u>
Total Assessments and Parcel Charges		\$ 3,495.00	\$ 4,489.45
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 10,109.59</u>	<u>\$ 11,104.04</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.64221%	1.80375%

(1) Based on average net assessed value plus \$7,000 homeowner's exemption for 29 Tax Class 1 units in CFD No. 21, IA No. 2, as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

(2) Based on the average unit size for 29 Tax Class 1 units in CFD No. 21, IA No. 2.

(3) Based on the average lot size for 29 Tax Class 1 units in CFD No. 21, IA No. 2.

(4) Actual Fiscal Year 2014-15 *ad valorem* rates.

(5) Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

(6) Based on the Fiscal Year 2014-15 rate of \$58.62 per parcel. The rate does not increase.

(7) Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

(8) Based on the Fiscal Year 2014-15 rate of \$40.00 per parcel. The rate does not increase.

(9) Based on the Fiscal Year 2014-15 rate of \$138.58 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles-Riverside-Orange County Area, not to exceed 2.00%.

(10) Based on the Riverside Unified School District CFD No. 21, IA No. 2 Fiscal Year 2014-15 actual Special Tax rate of \$3,244.54 per unit for Tax Class 1 property. Assigned Special Tax rate is \$4,238.99 per unit for Tax Class 1 property. The Assigned Special Tax rate escalates annually by 2%.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates.

TABLE 41B
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 88-093
PARTICIPANT IN WRCOG HERO PACE PROGRAM
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥5,000 SF)
CFD NO. 21, IMPROVEMENT AREA NO. 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾ :		\$673,000	
NET ASSESSED VALUE ⁽¹⁾ :		\$666,000	
Unit Size ⁽²⁾ :	5,424 Square Feet		
Lot Size ⁽³⁾ :	39,640 Square Feet		
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 6,660.00	
Metropolitan Water District G.O. Bonds	0.00350	23.31	
Riverside Unified School District G.O. Bonds	0.05307	353.45	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>119.28</u>	
Total General Property Taxes and Overrides	1.07448%	\$ 7,156.04	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 4.02	
County Service Area 87 – Street Lights ⁽⁶⁾		58.62	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 NPDES ⁽⁸⁾		40.00	
Lighting & Landscaping Maintenance District No. 89-1-C Zone 26 ⁽⁹⁾		138.58	
WRCOG HERO Funded Fiscal Year 2013-14 ⁽¹⁰⁾		4,843.30	
Riverside Unified School District CFD No. 21, IA No. 1 ⁽¹¹⁾		<u>3,244.54</u>	<u>\$ 4,238.99</u>
Total Assessments and Parcel Charges		\$ 8,338.28	\$ 9,332.73
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 15,494.32</u>	 <u>\$ 16,488.77</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 2.30228%	 2.45004%

⁽¹⁾ Based on assessed values for unit with WRCOG HERO PACE assessment in CFD No. 21, IA No. 2 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on actual unit size.

⁽³⁾ Based on actual lot size.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$58.62 per parcel. The rate does not increase.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$40.00 per parcel. The rate does not increase.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$138.58 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles-Riverside-Orange County Area, not to exceed 2.00%.

⁽¹⁰⁾ Based on administrative expenses, principal and interest due on outstanding lien on March 1, 2015 and September 1, 2015.

⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 21, IA No. 2 Fiscal Year 2014-15 actual Special Tax rate of \$3,244.54 per unit for Tax Class 1 property. Assigned Special Tax rate is \$4,238.99 per unit for Tax Class 1 property. The Assigned Special Tax rate escalates annually by 2%.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates.

TABLE 41C
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 88-093
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 2 (4,000-4,999 SF)
CFD NO. 21, IMPROVEMENT AREA NO. 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾		\$589,358	
Average Unit Size for Developed Property ⁽²⁾		4,769 Square Feet	
Average Lot Size for Developed Property ⁽³⁾		41,571 Square Feet	
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 5,893.58	
Metropolitan Water District G.O. Bonds	0.00350	20.63	
Riverside Unified School District G.O. Bonds	0.05307	312.77	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>105.55</u>	
Total General Property Taxes and Overrides	1.07448%	\$ 6,332.54	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 4.05	
County Service Area 87 - Street Lights ⁽⁶⁾		58.62	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 NPDES ⁽⁸⁾		40.00	
Lighting & Landscaping Maintenance District No. 89-1-C Zone 26 ⁽⁹⁾		138.58	
Riverside Unified School District CFD No. 10, Tax Zone B ⁽¹⁰⁾		<u>3,023.16</u>	<u>\$ 3,949.78</u>
Total Assessments and Parcel Charges		\$ 3,273.63	\$ 4,200.25
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 9,606.16</u>	 <u>\$ 10,532.78</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 1.62994%	 1.78716%

(1) Based on average net assessed value plus \$7,000 homeowner's exemption for 30 Tax Class 2 units in CFD No. 21, IA No. 2, as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

(2) Based on the average unit size for 30 Tax Class 2 units in CFD No. 21, IA No. 2.

(3) Based on the average lot size for 30 Tax Class 2 units in CFD No. 21, IA No. 2.

(4) Actual Fiscal Year 2014-15 *ad valorem* rates.

(5) Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

(6) Based on the Fiscal Year 2014-15 rate of \$58.62 per parcel. The rate does not increase.

(7) Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

(8) Based on the Fiscal Year 2014-15 rate of \$40.00 per parcel. The rate does not increase.

(9) Based on the Fiscal Year 2014-15 rate of \$138.58 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles-Riverside-Orange County Area, not to exceed 2.00%.

(10) Based on the Riverside Unified School District CFD No. 21, IA No. 2 Fiscal Year 2014-15 actual Special Tax rate of \$3,023.16 per unit for Tax Class 2 property. Assigned Special Tax rate is \$3,949.78 per unit for Tax Class 2 property. The Assigned Special Tax rate escalates annually by 2%.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in CFD No. 21 Improvement Area 2 for Fiscal Year 2009-10 through Fiscal Year 2013-14.

**TABLE 42
SPECIAL TAX DELINQUENCY HISTORY
FISCAL YEARS 2009-10 THROUGH 2013-14
CFD NO. 21, IMPROVEMENT AREA NO. 2**

<i>Fiscal Year</i>	<i>Total Amount Levied</i>	<i>Total Number of Parcels Levied</i>	<i>Total Delinquent Special Taxes at Fiscal Year End⁽¹⁾</i>	<i>Delinquency Rate at Fiscal Year End</i>	<i>Total Number of Parcels Delinquent as of 11/3/2014</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
2009-10	\$238,246	65	\$16,152	6.78%	0	\$ 0	0.00%
2010-11	214,422	65	13,445	6.27	0	0	0.00
2011-12	203,701	65	7,490	3.68	0	0	0.00
2012-13	193,516	65	9,143	4.72	0	0	0.00
2013-14	197,387	65	0	0.00	0	0	0.00

⁽¹⁾ Amount delinquent as of June 30 of the fiscal year in which special taxes were levied.
Source: David Taussig & Associates, Inc.

**INSERT AREA MAP FOR
CFD NO. 22
(MAP 1)**

**INSERT AREA MAP FOR
CFD NO. 22
(MAP 2)**

**INSERT AREA MAP FOR
CFD NO. 22
(MAP 3)**

**INSERT AREA MAP FOR
CFD NO. 22
(MAP 4)**

CFD NO. 22

Location and Description. CFD No. 22 was formed by the School District in February 2005 to finance various public improvements needed to develop property located within CFD No. 22. CFD No. 22 consists of four non-continuous parcels (totaling approximately 33 acres) located in the eastern portion of the City of Riverside: 1) Tract No. 32139 consisting of approximately 3.96 acres, 2) Tract No. 30741 consisting of approximately 7.79 acres, 3) Tract No. 32046 consisting of approximately 6.87 acres, and 4) Tract No. 31946 consisting of approximately 15.59 acres. CFD No. 22 includes 160 taxable parcels. CFD No. 22 is completely built out with 160 completed single family detached homes which have been conveyed to individual homeowners.

Assigned Special Taxes. The following table shows the Assigned Special Taxes and the actual Special Taxes that were levied on parcels of property in CFD No. 22 for Fiscal Year 2014-15 and the percentages of the total Special Tax levy. The final maturity of the CFD No. 22 Bonds is September 1, 2035.

**TABLE 43
FISCAL YEAR 2014-15 ASSIGNED AND ACTUAL SPECIAL TAXES
CFD NO. 22**

<i>Property Classification/ Tax Class⁽¹⁾</i>	<i>Number of Units/Acres</i>	<i>Fiscal Year 2014-15 Assigned Special Tax per Unit/Acre</i>	<i>Total Fiscal Year 2014-15 Assigned Special Tax</i>	<i>Fiscal Year 2014-15 Actual Special Tax per Unit/Acre</i>	<i>Fiscal Year 2014-15 Levy</i>	<i>Percent of Maximum Special Tax</i>
Developed Property						
Tax Class 1 (SFD > 3,200 SF)	28 Units	\$ 3,683.00	\$ 103,124.00	\$ 3,210.52	\$ 89,894.56	87.17%
Tax Class 2 (SFD 2,951 - 3,200 SF)	6 Units	3,460.00	20,760.00	3,016.12	18,096.72	87.17
Tax Class 3 (SFD 2,701 - 2,950 SF)	9 Units	3,259.00	29,331.00	2,840.92	25,568.28	87.17
Tax Class 4 (SFD 2,201 - 2,700 SF)	0 Units	3,020.00	0.00	0.00	0.00	NA
Tax Class 5 (SFD 1,951 - 2,200 SF)	23 Units	2,864.00	65,872.00	2,496.58	57,421.34	87.17
Tax Class 6 (SFD 1,701 - 1,950 SF)	45 Units	2,550.00	114,750.00	2,222.86	100,028.70	87.17
Tax Class 7 (SFD ≤ 1,700 SF)	49 Units	2,252.00	110,348.00	1,963.10	96,191.90	87.17
Total	160 Units	NA	\$ 444,185.00	NA	\$ 387,201.50	87.17%

⁽¹⁾ Classification pursuant to the Rate and Method of Apportionment.
Source: David Taussig & Associates, Inc.

For the complete text of the CFD No. 22 Rate and Method, see APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

Estimated Direct and Overlapping Indebtedness. Within the boundaries of CFD No. 22 are numerous overlapping local agencies providing public services. The only outstanding debt secured by a special tax or assessment on the parcels within CFD No. 22 is the Community Facilities District No. 22 of Riverside Unified School District 2006 Special Tax Bonds (the “Prior CFD No. 22 Bonds”). However, Table 44 below does not include the Prior CFD No. 22 Bonds and instead includes the \$4,220,000* aggregate principal amount of the Community Facilities District No. 22 of Riverside Unified School District, 2015 Special Tax Refunding Bonds (the “CFD No. 22 Bonds”) being issued to refund the Prior CFD No. 22 Bonds. In addition, there is \$501,623 outstanding principal amount of general obligation bonds allocable to CFD No. 22 based on the current assessed value of CFD No. 22 relative to the current assessed value within the boundaries of the applicable taxing jurisdiction issuing the general obligation bonds.

* Preliminary, subject to change.

**TABLE 44
DIRECT AND OVERLAPPING DEBT SUMMARY
AS OF SEPTEMBER 2, 2014
CFD NO. 22**

<i>Overlapping District</i>	<i>Actual Fiscal Year 2014-15 Total Levy</i>	<i>Amount of Levy on Parcels in District</i>	<i>Percent on Levy on Parcels in District</i>	<i>Total Debt Outstanding⁽¹⁾</i>	<i>District Share of Total Debt Outstanding</i>
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$25,619 ⁽²⁾	0.2410%	\$138,110,000	\$ 332,843
City of Riverside G.O. Bonds	1,444,251	3,022 ⁽²⁾	0.2092	13,395,000	28,028
Metropolitan Water District G.O. Bonds	100,066,262	1,690 ⁽²⁾	0.0017	132,275,000	2,233
Riverside City Community College G.O. Bonds	14,174,770	8,646 ⁽²⁾	0.0610	227,097,323 ⁽³⁾	<u>138,519</u>
				Estimated Share of Overlapping Debt Allocable to the District	\$ 501,623
				Plus the Series 2014 Refunding CFD No. 22 Bonds	<u>\$ 4,220,000*</u>
				Estimated Share of Direct and Overlapping Debt Allocable to the District	\$ 4,721,623*

* Preliminary, subject to change.

⁽¹⁾ As of September 2, 2014. Principal for City of Riverside GO Bonds and Community College Bonds is made on August 1 of each year. Principal for MWD GO Bonds is made on March 1 of each year. All other districts pay principal on September 1 of each year.

⁽²⁾ Estimated Fiscal Year 2014-15 levy. Calculated by multiplying the Fiscal Year 2014-15 *ad valorem* rate by the Fiscal Year 2014-15 net assessed value.

⁽³⁾ Includes 2014 GO Refunding Bonds, Series A & B, issued May 29, 2014.

Source: David Taussig & Associates, Inc.

Value-to-Lien Ratios. The total assessed values of all of the taxable property in CFD No. 22, as determined by the County Assessor for Fiscal Year 2014-15, is \$48,978,619. The direct and overlapping land secured special tax, assessment and general obligation bonded indebtedness within CFD No. 22 as of September 2, 2014 was approximately \$4,721,623*. The assessed value-to-lien ratio of the property within CFD No. 22, based on the Fiscal Year 2014-15 assessed values, the aggregate principal amount of the CFD No. 22 Bonds and the estimated direct and overlapping land secured special tax, and assessment and general obligation bonded indebtedness within CFD No. 22 is approximately 10.37-to-1*. The following table summarizes the assessed value-to-lien ratios within CFD No. 22 by owner.

* Preliminary, subject to change.

**TABLE 45
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS
CFD NO. 22**

<i>Owner⁽¹⁾</i>	<i>Fiscal Year 2014-15 CFD No. 22 Levy</i>	<i>Percent of Total Levy</i>	<i>Number of Parcels</i>	<i>CFD No. 22 Outstanding Bond Amount^{(2)*}</i>	<i>RUSD GO Outstanding Bond Amount⁽³⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽³⁾</i>	<i>MWD GO Outstanding Bond Amount⁽³⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽³⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁴⁾</i>	<i>Value- to-Lien Ratio*</i>
Individual Owners	\$ 387,202	100.00%	160	\$ 4,220,000	\$ 332,843	\$ 28,028	\$ 2,233	\$ 138,519	\$ 4,721,623	\$ 48,978,619	10.37

* Preliminary, subject to change.

(1) Based on ownership as of January 1, 2014 provided by the Riverside County Assessor.

(2) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(3) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(4) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Value-to-lien Ratios by Range. The following table summarizes the assessed value-to-lien ratios within CFD No. 22 by value-to-lien range.

**TABLE 46
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS BY RANGES
CFD NO. 22**

<i>Value-to-Lien Range</i>	<i>Number of Residential Units</i>	<i>Fiscal Year 2014-15 CFD No. 22 Levy</i>	<i>CFD No. 22 Outstanding Bond Amount^{(1)*}</i>	<i>Percent of Total CFD No. 22 Outstanding Bond Amount*</i>	<i>RUSD GO Outstanding Bond Amount⁽²⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽²⁾</i>	<i>MWD GO Outstanding Bond Amount⁽²⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽²⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽³⁾</i>	<i>Percent of Total Fiscal Year 2014-15 Assessed Value*</i>	<i>Value-to-Lien Ratio*</i>
0.00-4.99	0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.00%	NA
5.00-9.99	107	236,658	2,579,273	61.12	153,511	12,927	1,030	63,887	2,810,628	22,781,381	46.51	8.11
10.00-14.99	37	99,175	1,080,878	25.61	103,825	8,743	697	43,209	1,237,351	15,182,978	31.00	12.27
15.00-19.99	16	51,368	559,849	13.27	75,507	6,358	507	31,424	673,644	11,014,260	22.49	16.35
20.00 or Greater	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00</u>	<u>NA</u>
Total	160	\$ 387,202	\$ 4,220,000	100.00%	\$ 332,843	\$ 28,028	\$ 2,233	\$ 138,519	\$ 4,721,623	\$ 48,978,619	100.00%	10.37

* Preliminary, subject to change.

(1) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(2) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(3) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Sample Tax Bill. The following tables show the projected total effective tax rate for sample residential parcels in CFD No. 22, based on the average square footage of the homes located on such parcels and other characteristics described in the tables.

TABLE 47A
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 09-000, 09-013, 09-024, 09-139
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 5 (1,951-2,200 SF)
CFD NO. 22

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
Average Unit Size for Developed Property ⁽²⁾			
Average Lot Size for Developed Property ⁽³⁾			
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,366.13	
Metropolitan Water District G.O. Bonds	0.00350	14.81	
City of Riverside G.O. Bonds	0.00626	8.28	
Riverside Unified School District G.O. Bonds	0.05307	125.57	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>42.38</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,557.17	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 2.03	
City of Riverside Lighting District ⁽⁸⁾		31.44	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 - Riverside Stormwater ⁽⁶⁾		6.80	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 22 ⁽¹¹⁾		<u>2,496.58</u>	<u>\$ 2,864.00</u>
Total Assessments and Parcel Charges		\$ 2,574.77	\$ 2,932.49
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 5,131.93</u>	<u>\$ 5,489.65</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		2.16892%	2.32010%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 23 Tax Class 5 units in CFD No. 22, as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 23 Tax Class 5 units in CFD No. 22.

⁽³⁾ Based on the average lot size for 23 Tax Class 5 units in CFD No. 22.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Parcels in CFD No. 22 receive either the Riverside Lighting District charge of \$31.44 per benefit unit for residential units (Tax Rate Areas 09-000, 09-013, 09-024) or \$27.60 per benefit unit for condominiums, apartments, and mobile homes (Tax Rate Area 09-139). For purposes of this analysis, the higher of the two charges is shown. The rate does not increase.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.

⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 22, Fiscal Year 2014-15 actual Special Tax rate of \$2,496.58 per unit for Tax Class 5 property. Assigned Special Tax rate is \$2,864.00 per unit for Tax Class 5 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 47B
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA S 09,000, 09-013, 09-024, 09-139
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 7 (≤1,700 SF)
CFD NO. 22

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾		\$204,035	
Average Unit Size for Developed Property ⁽²⁾		1,610 Square Feet	
Average Lot Size for Developed Property ⁽³⁾		3,085 Square Feet	
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,040.35	
Metropolitan Water District G.O. Bonds	0.00350	12.77	
City of Riverside G.O. Bonds	0.00626	7.14	
Riverside Unified School District G.O. Bonds	0.05307	108.28	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>36.54</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,205.08	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 1.59	
City of Riverside Lighting District ⁽⁸⁾		31.44	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 - Riverside Stormwater ⁽⁶⁾		6.80	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 22 ⁽¹¹⁾		<u>1,963.10</u>	<u>\$ 2,252.00</u>
Total Assessments and Parcel Charges		\$ 2,040.85	\$ 2,320.05
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 4,245.94</u>	<u>\$ 4,525.14</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		2.08099%	2.21783%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 49 Tax Class 7 units in CFD No. 22, as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 49 Tax Class 7 units in CFD No. 22.

⁽³⁾ Based on the average lot size for 49 Tax Class 7 units in CFD No. 22.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Parcels in CFD No. 22 receive either the Riverside Lighting District charge of \$31.44 per benefit unit for residential units (Tax Rate Areas 09-000, 09-013, 09-024) or \$27.60 per benefit unit for condominiums, apartments, and mobile homes (Tax Rate Area 09-139). For purposes of this analysis, the higher of the two charges is shown. The rates do not increase.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.

⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 22, Fiscal Year 2014-15 actual Special Tax rate of \$1,963.10 per unit for Tax Class 7 property. Assigned Special Tax rate is \$2,252.00 per unit for Tax Class 7 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in CFD No. 22 for Fiscal Year 2009-10 through Fiscal Year 2013-14.

TABLE 48
SPECIAL TAX DELINQUENCY HISTORY
FISCAL YEARS 2009-10 THROUGH 2013-14
CFD NO. 22

<i>Fiscal Year</i>	<i>Total Amount Levied</i>	<i>Total Number of Parcels Levied</i>	<i>Total Delinquent Special Taxes at Fiscal Year End⁽¹⁾</i>	<i>Delinquency Rate at Fiscal Year End</i>	<i>Total Number of Parcels Delinquent as of 11/3/2014</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
2009-10	\$433,081	160	\$20,292	4.69%	0	\$ 0	0.00%
2010-11	422,255	160	17,012	4.03	0	0	0.00
2011-12	401,142	160	2,303	0.57	0	0	0.00
2012-13	391,112	160	1,123	0.29	0	0	0.00
2013-14	387,202	160	982	0.25	0	0	0.00

⁽¹⁾ Amount delinquent as of June 30 of the fiscal year in which special taxes were levied.
Source: David Taussig & Associates, Inc.

**INSERT AREA MAP FOR
CFD NO. 24
(MAP 1)**

**INSERT AREA MAP FOR
CFD NO. 24
(MAP 2)**

**INSERT AREA MAP FOR
CFD NO. 24
(MAP 3)**

CFD NO. 24

Location and Description. CFD No. 24 was formed by the School District in September 2005 to finance various public improvements needed to develop property located within CFD No. 24. CFD No. 24 consists of three non-continuous parcels (totaling approximately 67 acres) located in the south-eastern portion of the City of Riverside: 1) Tract No. 31415 consisting of approximately 9.57 acres, 2) Tract No. 31801 consisting of approximately 17.35 acres, and 3) Lots 1 through 8 of Tract No. 32205 consisting of approximately 40.50 acres. CFD No. 24 includes 229 taxable parcels. CFD No. 24 is completely built out with 229 completed single family detached homes which have been conveyed to individual homeowners.

Assigned Special Taxes. The following table shows the Assigned Special Taxes and the actual Special Taxes that were levied on parcels of property in CFD No. 24 for Fiscal Year 2014-15 and the percentages of the total Special Tax levy. The final maturity of the CFD No. 24 Bonds is September 1, 2036.

**TABLE 49
FISCAL YEAR 2014-15 ASSIGNED AND ACTUAL SPECIAL TAXES
CFD NO. 24**

<i>Tax Rate Zone/ Property Classification/ Tax Class⁽¹⁾</i>	<i>Number of Units/Acres</i>	<i>Fiscal Year 2014-15 Assigned Special Tax per Unit/Acre⁽²⁾</i>	<i>Total Fiscal Year 2014-15 Assigned Special Tax</i>	<i>Fiscal Year 2014-15 Actual Special Tax per Unit/Acre</i>	<i>Fiscal Year 2014-15 Levy</i>	<i>Percent of Maximum Special Tax</i>
Tax Rate Zone 1						
Developed Property						
Tax Class 1 (SFD ≥ 1,600 SF)	26 Units	\$ 2,550.33	\$ 66,308.58	\$ 1,486.64	\$ 38,652.64	58.29%
Tax Class 2 (SFD 1,300 - 1,599 SF)	63 Units	2,331.63	146,892.69	1,359.16	85,627.08	58.29
Tax Class 3 (SFD < 1,300 SF)	<u>9 Units</u>	<u>2,185.82</u>	<u>19,672.38</u>	<u>1,274.16</u>	<u>11,467.44</u>	<u>58.29</u>
Subtotal - Tax Rate Zone 1	98 Units	NA	\$ 232,873.65	NA	\$ 135,747.16	58.29%
Tax Rate Zone 2						
Developed Property						
Tax Class 1 (SFD ≥ 2,001 SF)	36 Units	\$ 3,088.12	\$ 111,172.32	\$ 1,660.36	\$ 59,772.96	53.77%
Tax Class 2 (SFD 1,801 - 2,000 SF)	33 Units	2,933.95	96,820.35	1,577.48	52,056.84	53.77
Tax Class 3 (SFD 1,500 - 1,800 SF)	30 Units	2,702.10	81,063.00	1,452.82	43,584.60	53.77
Tax Class 4 (SFD < 1,500 SF)	<u>24 Units</u>	<u>2,547.94</u>	<u>61,150.56</u>	<u>1,369.94</u>	<u>32,878.56</u>	<u>53.77</u>
Subtotal - Tax Rate Zone 2	123 Units	NA	\$ 350,206.23	NA	\$ 188,292.96	53.77%
Tax Rate Zone 3						
Developed Property						
Tax Class 1 (SFD > 3,800 SF)	7 Units	\$ 5,149.65	\$ 36,047.55	\$ 2,602.12	\$ 18,214.84	50.53%
Tax Class 2 (SFD 3,000 - 3,800 SF)	0 Units	4,283.21	0.00	0.00	0.00	NA
Tax Class 3 (SFD < 3,000 SF)	<u>1 Units</u>	<u>3,453.82</u>	<u>3,453.82</u>	<u>1,745.22</u>	<u>1,745.22</u>	<u>50.53</u>
Subtotal - Tax Rate Zone 3	<u>8 Units</u>	<u>NA</u>	<u>\$ 39,501.37</u>	<u>NA</u>	<u>\$ 19,960.06</u>	<u>50.53%</u>
Total	229 Units	NA	\$ 622,581.25	NA	\$ 344,000.18	55.25%

⁽¹⁾ Classification pursuant to the Rate and Method of Apportionment.

⁽²⁾ The Assigned Special Tax rates increase by 2.00% per year.

Source: David Taussig & Associates, Inc.

For the complete text of the CFD No. 24 Rate and Method, see APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

Estimated Direct and Overlapping Indebtedness. Within the boundaries of CFD No. 24 are numerous overlapping local agencies providing public services. The only outstanding debt secured by a special tax or assessment on the parcels within CFD No. 24 is the Community Facilities District No. 24 of Riverside Unified School District 2006 Special Tax Bonds (the “Prior CFD No. 24 Bonds”). However, Table 50 below does not include the Prior CFD No. 24 Bonds and instead includes the \$4,950,000* aggregate principal amount of the Community Facilities District No. 24 of Riverside Unified School District, 2015 Special Tax Refunding Bonds (the “CFD No. 24 Bonds”) being issued to refund the Prior CFD No. 24 Bonds. In addition, there is \$582,648 outstanding principal amount of general obligation bonds allocable to CFD No. 24 based on the current assessed value of CFD No. 24 relative to the current assessed value within the boundaries of the applicable taxing jurisdiction issuing the general obligation bonds.

**TABLE 50
DIRECT AND OVERLAPPING DEBT SUMMARY
AS OF SEPTEMBER 2, 2014
CFD NO. 24**

<i>Tax Rate Zone/Overlapping District</i>	<i>Actual Fiscal Year 2014-15 Total Levy</i>	<i>Amount of Levy on Parcels in District</i>	<i>Percent on Levy on Parcels in District</i>	<i>Total Debt Outstanding⁽¹⁾</i>	<i>District Share of Total Debt Outstanding</i>
Tax Rate Zone 1					
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$ 10,658 ⁽²⁾	0.1003%	\$138,110,000	\$ 138,470
City of Riverside G.O. Bonds	1,444,251	1,257 ⁽²⁾	0.0870	13,395,000	11,660
Metropolitan Water District G.O. Bonds	100,066,262	703 ⁽²⁾	0.0007	132,275,000	929
Riverside City Community College G.O. Bonds	<u>14,174,770</u>	<u>3,597⁽²⁾</u>	<u>0.0254</u>	<u>227,097,323⁽³⁾</u>	<u>57,627</u>
Subtotal - Tax Rate Zone 1	\$ 126,315,751	\$ 16,215	0.2134%	\$510,877,323	\$ 208,687
Tax Rate Zone 2					
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$ 15,951 ⁽²⁾	0.1501%	\$138,110,000	\$ 207,236
City of Riverside G.O. Bonds	1,444,251	1,882 ⁽²⁾	0.1303	13,395,000	17,451
Metropolitan Water District G.O. Bonds	100,066,262	1,052 ⁽²⁾	0.0011	132,275,000	1,391
Riverside City Community College G.O. Bonds	<u>14,174,770</u>	<u>5,383⁽²⁾</u>	<u>0.0380</u>	<u>227,097,323⁽³⁾</u>	<u>86,245</u>
Subtotal - Tax Rate Zone 2	\$ 126,315,751	\$ 24,268	0.3194%	\$510,877,323	\$ 312,323
Tax Rate Zone 3					
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$ 3,148 ⁽²⁾	0.0296%	\$138,110,000	\$ 40,899
City of Riverside G.O. Bonds	1,444,251	371 ⁽²⁾	0.0257	13,395,000	3,444
Metropolitan Water District G.O. Bonds	100,066,262	208 ⁽²⁾	0.0002	132,275,000	274
Riverside City Community College G.O. Bonds	<u>14,174,770</u>	<u>1,062⁽²⁾</u>	<u>0.0075</u>	<u>227,097,323⁽³⁾</u>	<u>17,021</u>
Subtotal - Tax Rate Zone 3	\$ 126,315,751	\$ 4,789	0.0630%	\$510,877,323	\$ 61,639
				Estimated Share of Overlapping Debt Allocable to the District	\$ 582,648
				Series 2014 Refunding CFD No. 24 Bonds (Tax Rate Zone 1)	\$ 1,852,290 ⁽⁴⁾
				Series 2014 Refunding CFD No. 24 Bonds (Tax Rate Zone 2)	2,792,790 ⁽⁴⁾
				Series 2014 Refunding CFD No. 24 Bonds (Tax Rate Zone 3)	<u>304,920⁽⁴⁾</u>
				Plus the Series 2014 Refunding CFD No. 24 Bonds (Total)	<u>\$ 4,950,000*</u>
				Estimated Share of Direct and Overlapping Debt Allocable to the District	\$ 5,532,648*

* Preliminary, subject to change.

(1) As of September 2, 2014. Principal for City of Riverside GO Bonds and Community College Bonds is made on August 1 of each year. Principal for MWD GO Bonds is made on March 1 of each year. All other districts pay principal on September 1 of each year.

(2) Estimated Fiscal Year 2014-15 levy. Calculated by multiplying the Fiscal Year 2014-15 *ad valorem* rate by the Fiscal Year 2014-15 net assessed value.

(3) Includes 2014 GO Refunding Bonds, Series A & B, issued May 29, 2014.

(4) Allocations to each Tax Zone are based on the Rate and Method of Apportionment.

Source: David Taussig & Associates, Inc.

* Preliminary, subject to change.

Value-to-Lien Ratios. The total assessed values of all of the taxable property in CFD No. 24, as determined by the County Assessor for Fiscal Year 2014-15, is \$110,879,495. The direct and overlapping land secured special tax, assessment and general obligation bonded indebtedness within CFD No. 24 as of September 2, 2014 was approximately \$5,532,648*. The assessed value-to-lien ratio of the property within CFD No. 24, based on the Fiscal Year 2014-15 assessed values, the aggregate principal amount of the CFD No. 24 Bonds and the estimated direct and overlapping land secured special tax, and assessment and general obligation bonded indebtedness within CFD No. 24 is approximately 10.56-to-1*. The following table summarizes the assessed value-to-lien ratios within CFD No. 24 by tax zone and owner.

* Preliminary, subject to change.

**TABLE 51
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS
CFD NO. 24**

<i>Tax Rate Zone/Owner⁽¹⁾</i>	<i>Tax Zone Allocation⁽²⁾</i>	<i>Number of Parcels</i>	<i>CFD No. 24 Outstanding Bond Amount^{(4)*}</i>	<i>RUSD GO Outstanding Bond Amount⁽⁵⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽⁵⁾</i>	<i>MWD GO Outstanding Bond Amount⁽⁵⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽⁵⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁶⁾</i>	<i>Value-to-Lien Ratio*</i>
Tax Rate Zone 1										
California Baptist University	3.07% ⁽³⁾	8	\$ 151,846 ⁽³⁾	\$ 9,868	\$ 831	\$ 66	\$ 4,107	\$ 166,719	\$ 1,651,276	9.90
Individual Owners	<u>34.35⁽³⁾</u>	<u>90</u>	<u>1,700,444⁽³⁾</u>	<u>128,602</u>	<u>10,829</u>	<u>863</u>	<u>53,520</u>	<u>1,894,258</u>	<u>18,864,787</u>	<u>9.96</u>
	37.42%	98	\$ 1,852,290	\$ 138,470	\$ 11,660	929	\$ 57,627	\$ 2,060,977	\$ 20,516,063	9.95
Tax Rate Zone 2										
Regents of the University of California	2.64% ⁽³⁾	6	\$ 130,530 ⁽³⁾	\$ 0	\$ 0	\$ 0	\$ 0	\$ 130,530	\$ 1,673,380	12.82
Individual Owners	<u>53.78⁽³⁾</u>	<u>117</u>	<u>2,662,260⁽³⁾</u>	<u>207,236</u>	<u>17,451</u>	<u>1,391</u>	<u>86,245</u>	<u>2,974,583</u>	<u>30,259,844</u>	<u>10.17</u>
	56.42%	123	\$ 2,792,790	\$ 207,236	\$ 17,451	\$ 1,391	\$ 86,245	\$ 3,105,113	\$ 31,933,224	10.28
Tax Rate Zone 3										
Individual Owners	<u>6.16%</u>	<u>8</u>	<u>\$ 304,920</u>	<u>\$ 40,899</u>	<u>\$ 3,444</u>	<u>\$ 274</u>	<u>\$ 17,021</u>	<u>\$ 366,559</u>	<u>\$ 5,980,921</u>	<u>16.32</u>
Total	100.00%	229	\$ 4,950,000	\$ 386,606	\$ 32,555	\$ 2,594	\$ 160,893	\$ 5,532,648	\$ 58,430,208	10.56

* Preliminary, subject to change.

(1) Based on ownership as of January 1, 2014 provided by the Riverside County Assessor.

(2) Based on the Rate and Method of Apportionment.

(3) Allocation to property owners based on share of Fiscal Year 2014-15 special tax levy for Tax Zone 2.

(4) Allocations to each Tax Zone are based on the Rate and Method of Apportionment.

(5) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(6) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Value-to-lien Ratios by Range. The following table summarizes the assessed value-to-lien ratios within CFD No. 24 by value-to-lien range.

**TABLE 52
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS BY RANGES
CFD NO. 24**

<i>Value-to-Lien Range</i>	<i>Number of Residential Units</i>	<i>CFD No. 24 Outstanding Bond Amount^{(1)*}</i>	<i>Percent of Total CFD No. 24 Outstanding Bond Amount*</i>	<i>RUSD GO Outstanding Bond Amount⁽²⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽²⁾</i>	<i>MWD GO Outstanding Bond Amount⁽²⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽²⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽³⁾</i>	<i>Percent of Total Fiscal Year 2014-15 Assessed Value*</i>	<i>Value-to-Lien Ratio*</i>
0.00-4.99	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.00%	NA
5.00-9.99	83	1,661,620	33.57	111,913	9,424	751	46,575	1,830,282	16,336,477	27.96	8.93
10.00-14.99	140	3,062,963	61.88	242,012	20,379	1,624	100,718	3,427,696	37,318,799	63.87	10.89
15.00-19.99	6	225,417	4.55	32,681	2,752	219	13,601	274,670	4,774,932	8.17	17.38
20.00 or Greater	<u>0</u>	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00</u>	<u>NA</u>
Total	229	\$ 4,950,000	100.00%	\$ 386,606	\$ 32,555	\$ 2,594	\$ 160,893	\$ 5,532,648	\$ 58,430,208	100.00%	10.56

* Preliminary, subject to change.

(1) Allocations to each Tax Zone are based on the Rate and Method of Apportionment. Allocation within each Tax Zone based on share of Fiscal Year 2014-15 special tax levy.

(2) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(3) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Sample Tax Bill. The following tables show the projected total effective tax rate for sample residential parcels in CFD No. 24, based on the average square footage of the homes located on such parcels and other characteristics described in the tables.

TABLE 53A
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 09-002, 09-156
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥1,600 SF)
CFD NO. 24, TAX ZONE 1

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
Average Unit Size for Developed Property ⁽²⁾	1,693 Square Feet		
Average Lot Size for Developed Property ⁽³⁾	2,212 Square Feet		
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,242.93	
City of Riverside G.O. Bonds	0.00626	14.04	
Metropolitan Water District G.O. Bonds	0.00350	7.85	
Riverside Unified School District G.O. Bonds	0.05307	119.03	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>40.17</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,424.03	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 1.14	
City of Riverside Lighting District ⁽⁶⁾		27.60	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 - Riverside Stormwater ⁽⁸⁾		6.80	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 24 ⁽¹¹⁾		<u>1,486.64</u>	<u>\$ 2,550.33</u>
Total Assessments and Parcel Charges		\$ 1,560.10	\$ 2,614.09
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 3,984.13</u>	<u>\$ 5,038.12</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.77630%	2.24622%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 26 Tax Class 1 units in CFD No. 24, Tax Zone 1 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 26 Tax Class 1 units in CFD No. 24, Tax Zone 1.

⁽³⁾ Based on the average lot size for 26 Tax Class 1 units in CFD No. 24, Tax Zone 1.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$27.60 per benefit unit for condominiums, apartments, and mobile homes. The rate does not increase.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.

⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 24, Tax Zone 1 Fiscal Year 2014-15 actual Special Tax rate of \$1,486.64 per unit for Tax Class 1 property. Assigned Special Tax rate is \$2,550.33 per unit for Tax Class 1 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 53B
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 09-002, 09-156
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 2 (1,300-1,599 SF)
CFD NO. 24, TAX ZONE 1

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
Average Unit Size for Developed Property ⁽²⁾			
Average Lot Size for Developed Property ⁽³⁾			
<i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,129.08	
City of Riverside G.O. Bonds	0.00626	13.33	
Metropolitan Water District G.O. Bonds	0.00350	7.45	
Riverside Unified School District G.O. Bonds	0.05307	112.99	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>38.13</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,300.98	
<i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 1.08	
City of Riverside Lighting District ⁽⁶⁾		27.60	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 - Riverside Stormwater ⁽⁸⁾		6.80	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 24 ⁽¹¹⁾		<u>1,359.16</u>	<u>\$ 2,331.63</u>
Total Assessments and Parcel Charges		\$ 1,432.56	\$ 2,395.33
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 3,733.54</u>	<u>\$ 4,696.31</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.75359%	2.20579%

- ⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 63 Tax Class 2 units in CFD No. 24, Tax Zone 1 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- ⁽²⁾ Based on the average unit size for 63 Tax Class 2 units in CFD No. 24, Tax Zone 1.
- ⁽³⁾ Based on the average lot size for 63 Tax Class 2 units in CFD No. 24, Tax Zone 1.
- ⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.
- ⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- ⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$27.60 per benefit unit for condominiums, apartments, and mobile homes. The rate does not increase.
- ⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- ⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.
- ⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.
- ⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.
- ⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 24, Tax Zone 1 Fiscal Year 2014-15 actual Special Tax rate of \$1,359.16 per unit for Tax Class 2 property. Assigned Special Tax rate is \$2,331.63 per unit for Tax Class 2 property. The Assigned Special Tax rate does not escalate.
- Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 53C
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 09-002, 09-156
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥2,001 SF)
CFD NO. 24, TAX ZONE 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
\$292,404			
Average Unit Size for Developed Property ⁽²⁾	2,102 Square Feet		
Average Lot Size for Developed Property ⁽³⁾	4,126 Square Feet		
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,924.04	
City of Riverside G.O. Bonds	0.00626	18.20	
Metropolitan Water District G.O. Bonds	0.00350	10.23	
Riverside Unified School District G.O. Bonds	0.05307	155.18	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>52.37</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 3,160.13	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 2.13	
City of Riverside Lighting District ⁽⁶⁾		27.60	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 - Riverside Stormwater ⁽⁸⁾		6.80	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 24 ⁽¹¹⁾		<u>1,660.36</u>	<u>\$ 3,088.12</u>
Total Assessments and Parcel Charges		\$ 1,734.81	\$ 3,152.87
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 4,894.94</u>	 <u>\$ 6,313.00</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 1.67403%	 2.15900%

- ⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 36 Tax Class 1 units in CFD No. 24, Tax Zone 2 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- ⁽²⁾ Based on the average unit size for 36 Tax Class 1 units in CFD No. 24, Tax Zone 2.
- ⁽³⁾ Based on the average lot size for 36 Tax Class 1 units in CFD No. 24, Tax Zone 2.
- ⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.
- ⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- ⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$27.60 per benefit unit for condominiums, apartments, and mobile homes. The rate does not increase.
- ⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- ⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.
- ⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.
- ⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.
- ⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 24, Tax Zone 1 Fiscal Year 2014-15 actual Special Tax rate of \$1,660.36 per unit for Tax Class 1 property. Assigned Special Tax rate is \$3,088.12 per unit for Tax Class 1 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 53D
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 09-002, 09-156
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 3 (1,500-1,800 SF)
CFD NO. 24, TAX ZONE 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
\$238,438			
Average Unit Size for Developed Property ⁽²⁾	1,620 Square Feet		
Average Lot Size for Developed Property ⁽³⁾	3,065 Square Feet		
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,384.38	
City of Riverside G.O. Bonds	0.00626	14.93	
Metropolitan Water District G.O. Bonds	0.00350	8.35	
Riverside Unified School District G.O. Bonds	0.05307	126.54	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>42.70</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,576.89	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 1.58	
City of Riverside Lighting District ⁽⁶⁾		27.60	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 - Riverside Stormwater ⁽⁸⁾		6.80	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 24 ⁽¹¹⁾		<u>1,452.82</u>	<u>\$ 2,702.10</u>
Total Assessments and Parcel Charges		\$ 1,526.72	\$ 2,766.30
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 4,103.62</u>	 <u>\$ 5,343.20</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 1.72104%	 2.24092%

- (1) Based on average net assessed value plus \$7,000 homeowner's exemption for 28 parcels owned by individual owners in Tax Class 3 units in CFD No. 24, Tax Zone 2 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- (2) Based on the average unit size for 28 parcels owned by individual owners in Tax Class 3 units in CFD No. 24, Tax Zone 2.
- (3) Based on the average lot size for 28 parcels owned by individual owners in Tax Class 3 units in CFD No. 24, Tax Zone 2.
- (4) Actual Fiscal Year 2014-15 *ad valorem* rates.
- (5) Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- (6) Based on the Fiscal Year 2014-15 rate of \$27.60 per benefit unit for condominiums, apartments, and mobile homes. The rate does not increase.
- (7) Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- (8) Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.
- (9) Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.
- (10) Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.
- (11) Based on the Riverside Unified School District CFD No. 24, Tax Zone 1 Fiscal Year 2014-15 actual Special Tax rate of \$1,452.82 per unit for Tax Class 3 property. Assigned Special Tax rate is \$2,702.10 per unit for Tax Class 3 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 53E
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 09-002, 09-156
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (>3,800 SF)
CFD NO. 24, TAX ZONE 3

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
Average Unit Size for Developed Property ⁽²⁾ :	4,014 Square Feet		
Average Lot Size for Developed Property ⁽³⁾	80,275 Square Feet		
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 7,784.76	
City of Riverside G.O. Bonds	0.00626	48.73	
Metropolitan Water District G.O. Bonds	0.00350	27.25	
Riverside Unified School District G.O. Bonds	0.05307	413.14	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>139.43</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 8,413.30	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 4.38	
City of Riverside Lighting District ⁽⁶⁾		27.60	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 - Riverside Stormwater ⁽⁸⁾		6.80	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 24 ⁽¹¹⁾		<u>2,602.12</u>	<u>\$ 5,149.65</u>
Total Assessments and Parcel Charges		\$ 2,678.82	\$ 5,216.65
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 11,092.12</u>	<u>\$ 13,629.95</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.42485%	1.75085%

- ⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 7 Tax Class 1 units in CFD No. 24, Tax Zone 3 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- ⁽²⁾ Based on the average unit size for 7 Tax Class 1 units in CFD No. 24, Tax Zone 3.
- ⁽³⁾ Based on the average lot size for 7 Tax Class 1 units in CFD No. 24, Tax Zone 3.
- ⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.
- ⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- ⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$27.60 per benefit unit for condominiums, apartments, and mobile homes. The rate does not increase.
- ⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- ⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.
- ⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.
- ⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.
- ⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 24, Tax Zone 1 Fiscal Year 2014-15 actual Special Tax rate of \$2,602.12 per unit for Tax Class 1 property. Assigned Special Tax rate is \$5,149.65 per unit for Tax Class 1 property. The Assigned Special Tax rate does not escalate.
- Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in CFD No. 24 for Fiscal Year 2009-10 through Fiscal Year 2013-14.

**TABLE 54
SPECIAL TAX DELINQUENCY HISTORY
FISCAL YEARS 2009-10 THROUGH 2013-14
CFD NO. 24**

<i>Fiscal Year</i>	<i>Total Amount Levied</i>	<i>Total Number of Parcels Levied⁽¹⁾</i>	<i>Total Delinquent Special Taxes at Fiscal Year End⁽²⁾</i>	<i>Delinquency Rate at Fiscal Year End</i>	<i>Total Number of Parcels Delinquent as of 11/3/2014</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
2009-10	\$389,525	229	\$36,446	9.36%	0	\$ 0	0.00%
2010-11	370,050	229	13,028	3.52	1	744	0.20
2011-12	333,045	229	6,850	2.06	1	1,340	0.40
2012-13	328,699	229	6,942	2.11	0	0	0.00
2013-14	335,273	229	10,439	3.11	2	1,395	0.42

⁽¹⁾ Includes six parcels owned by the “Regents of University of California” for which special taxes are billed directly and payable to Riverside Unified School District.

⁽²⁾ Amount delinquent as of June 30 of the fiscal year in which special taxes were levied.

Source: David Taussig & Associates, Inc.

APPENDIX E

FORM OF BOND COUNSEL OPINION

[TO COME FROM BOND COUNSEL]

APPENDIX F

FORM OF CONTINUING DISCLOSURE AGREEMENT

THIS CONTINUING DISCLOSURE AGREEMENT (“Disclosure Agreement”), dated as of _____ 1, 2015, is executed and delivered by the RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY (the “Issuer”), and U.S. BANK NATIONAL ASSOCIATION, as Dissemination Agent (the “Dissemination Agent”) in connection with the issuance of \$_____ aggregate principal amount the Riverside Unified School District Financing Authority 2015 Special Tax Revenue Refunding Bonds (the “Bonds”). The Bonds are being issued pursuant to an Indenture of Trust, dated as of _____ 1, 2015 (the “Indenture”), by between U.S. Bank National Association, as trustee (the “Trustee”), and the Issuer. The proceeds of the Bonds will be used to acquire the District Bonds (as defined below). The proceeds of the District Bonds will refund certain outstanding obligations of the Districts (as defined below), to fund the reserve fund securing the Bonds and to pay costs of issuance of the Bonds. The Issuer and the Dissemination Agent covenant and agree as follows:

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

Section 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement 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 Issuer pursuant to, and as described in, Section 3 and 4 of this Disclosure Agreement.

“Beneficial Owner” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income purposes.

“Disclosure Representative” shall mean the Assistant Executive Director of the Riverside Unified School District Financing Authority, or his or her designee, or such other officer or employee as the Issuer shall designate in writing to the Dissemination Agent from time to time.

“Dissemination Agent” shall mean U.S. Bank National Association, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Trustee and the Issuer a written acceptance of such designation.

“Districts” shall mean, collectively, the following:

- (a) Community Facilities District No. 10 of Riverside Unified School District,
- (b) Community Facilities District No. 13 of Riverside Unified School District,
- (c) Community Facilities District No. 14 of Riverside Unified School District,
- (d) Community Facilities District No. 15 of Riverside Unified School District,
- (e) Community Facilities District No. 17 of Riverside Unified School District,

- (f) Community Facilities District No. 18 of Riverside Unified School District,
- (g) Community Facilities District No. 21 of Riverside Unified School District,
- (h) Community Facilities District No. 22 of Riverside Unified School District, and
- (i) Community Facilities District No. 24 of Riverside Unified School District.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

“District Bonds” shall mean, collectively, the following:

- (a) Community Facilities District No. 10 of Riverside Unified School District, Special Tax Refunding Bonds, 2015 Series A,
- (b) Community Facilities District No. 13 of Riverside Unified School District, Special Tax Refunding Bonds, 2015 Series A (Improvement Area No. 1),
- (c) Community Facilities District No. 14 of Riverside Unified School District, Special Tax Refunding Bonds, 2015 Series A,
- (d) Community Facilities District No. 15 of Riverside Unified School District, Special Tax Refunding Bonds, 2015 Series A (Improvement Area No. 2),
- (e) Community Facilities District No. 17 of Riverside Unified School District, Special Tax Refunding Bonds, 2015 Series A,
- (f) Community Facilities District No. 18 of Riverside Unified School District, Special Tax Refunding Bonds, 2015 Series A,
- (g) Community Facilities District No. 21 of Riverside Unified School District, Special Tax Refunding Bonds, 2015 Series A (Improvement Area No. 2),
- (h) Community Facilities District No. 22 of Riverside Unified School District, Special Tax Refunding Bonds, 2015 Series A, and
- (i) Community Facilities District No. 24 of Riverside Unified School District, Special Tax Refunding Bonds, 2015 Series A.

“MSRB” means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

“Owners” shall mean the registered owners of the Bonds as set forth in the registration books maintained by the Trustee.

“Participating Underwriter” shall mean any of the underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Repository” shall mean the MSRB or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Unless 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>.

“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.

“State” shall mean the State of California.

“Tax-Exempt” shall mean the interest on the Bonds is excluded from gross income 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 any other tax liability, including any alternative minimum tax or environmental tax.

Section 3. Provision of Annual Reports.

(a) The Issuer shall, or upon written direction shall cause the Dissemination Agent to, not later than April 1 after the end of the Issuer’s fiscal year (June 30) commencing with the report due by April 1, [2016], provide to the Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Agreement; provided that the audited financial statements of the Issuer and the Districts, if any exist, may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Issuer’s or the Districts’ fiscal year changes, the Issuer shall give notice of such change in the same manner as for a Listed Event under Section 5(f). The Issuer shall provide a written certification with each Annual Report furnished to the Dissemination Agent and the Trustee to the effect that such Annual Report constitutes the Annual Report required to be furnished by it hereunder. The Dissemination Agent and Trustee may conclusively rely upon such certification of the Issuer and shall have no duty or obligation to review such Annual Report.

(b) Not later than (15) Business Days prior to the date specified in subsection (a) for providing the Annual Report to the Repository, the Issuer shall provide the Annual Report to the Dissemination Agent and the Trustee (if the Trustee is not the Dissemination Agent). If by fifteen (15) Business Days prior to such date, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the Issuer and the Trustee to inquire if the Issuer is in compliance with subsection (a).

(c) If the Dissemination Agent is unable to verify that an Annual Report has been provided to the Repository by the date required in subsection (a), the Dissemination Agent shall send a notice to the Repository, in the form required by the Repository.

(d) The Dissemination Agent shall:

(i) determine each year prior to date for providing the Annual Report the name and address of the Repository if other than the MSRB; and

(ii) file a report with the Issuer certifying that the Annual Report has been to the Repository and the date it was provided.

(e) Notwithstanding any other provision of this Disclosure Agreement, all filings shall be made in accordance with the MSRB’s EMMA system or in another manner approved under the Rule.

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

(a) The audited financial statements of the Issuer and the Districts for the prior fiscal year, if any have been prepared and which, if prepared, shall be prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental

Accounting Standards Board. If the Issuer or the Districts are preparing audited financial statements and such audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

- (b) The Annual Report shall contain or incorporate by reference the following:
 - (i) the principal amount of the Bonds and the principal amounts of the District Bonds that are outstanding as of the September 2 preceding the filing of the Annual Report;
 - (ii) the balance in each fund under the Indenture and the Reserve Requirement as of the September 2 preceding the filing of the Annual Report;
 - (iii) any changes to the Rates and Methods of Apportionment of the Special Tax for any District approved or submitted to the qualified electors for approval prior to the filing of the Annual Report and a description of any parcels for which the Special Taxes have been prepaid in the fiscal year for which the Annual Report is being prepared;
 - (iv) an update of the estimated assessed value-to-lien ratios for the parcels of taxable property in the Districts substantially in the form of Table 4 in the Official Statement based upon the Special Tax levy for the most recent fiscal year preceding the date of the Annual Report and of the assessed values of property for the current fiscal year;
 - (v) the status of any foreclosure actions being pursued by the School District with respect to delinquent Special Taxes in any of the Districts;
 - (vi) a table showing by District the total Special Taxes levied and the total Special Taxes collected for the prior fiscal year and the total Special Taxes that remain unpaid for each prior fiscal year in which Special Taxes were levied and the number of delinquent parcels in each District; and
 - (vii) any information not already included under (i) through (vi) above that the Issuer is required to file in its annual report to the California Debt and Investment Advisory Commission pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to each of the Repositories or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The Issuer shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Issuer shall give, or cause the Dissemination Agent to give, written notice to the Repository of the occurrence of any of the following events with respect to the Bonds in a timely manner not more than ten (10) business days after 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 the issuance by the Internal Revenue Service of proposed or final determinations of taxability or of a Notice of Proposed Issue (IRS Form 5701-TEB);
6. tender offers;
7. defeasances;
8. ratings changes; and
9. bankruptcy, insolvency, receivership or similar proceedings.

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) Pursuant to the provisions of this Section 5, the Issuer shall give, or cause to be given, written notice to the Repository of the occurrence of any of the following events with respect to the Bonds, if material:

1. unless described in paragraph 5(a)(5) above, notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
2. 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;
3. appointment of a successor or additional trustee or the change of the name of a trustee;
4. nonpayment related defaults;
5. modifications to the rights of Owners of the Bonds;
6. notices of redemption; and
7. release, substitution or sale of property securing repayment of the Bonds.

(c) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event under Section 5(b) above, the Issuer shall as soon as possible determine if such event would be material under applicable federal securities laws.

(d) If the Issuer determines that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, the Issuer shall file a notice of such occurrence with the Repository in a timely manner not more than 10 business days after the event.

(e) The Issuer hereby agrees that the undertaking set forth in this Disclosure Agreement is the responsibility of the Issuer and that the Dissemination Agent shall not be responsible for determining whether the Issuer's instructions to the Dissemination Agent under this Section 5 comply with the requirements of the Rule.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Agreement 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 Issuer shall give notice of such termination in the same manner as for a Listed Event under Section 5(d).

Section 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Agreement. If at any time there is not any other designated Dissemination Agent, the Trustee shall be the Dissemination Agent. The initial Dissemination Agent shall be U.S. Bank National Association. The Dissemination Agent may resign by providing thirty (30) days written notice to the Issuer and the Trustee.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

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

(b) The undertaking hereunder, 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 either (i) is approved by the Owners of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Owners or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer 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 Issuer. In addition, if the amendment related 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(f), 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 Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement 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 Agreement. If the Issuer 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 Agreement, the Issuer shall have no obligation under this Agreement 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 Issuer to comply with any provision of this Disclosure Agreement, the Trustee at the written direction of any Participating Underwriter or the Owners of at least 25% aggregate principal amount of Outstanding Bonds, shall, or any Owner 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 Issuer to comply with its obligations under this Disclosure Agreement, but only to the extent funds have been provided to it or it has been otherwise indemnified to its satisfaction from any cost, liability, expense or additional charges of the Trustee whatsoever, including, without limitation, fees and expenses of its attorney. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Agreement shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the Issuer agrees to indemnify and save the Dissemination Agent and its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

The Dissemination Agent shall be paid compensation by the Issuer for its services provided hereunder in accordance with its schedule of fees as amended from time to time and shall be reimbursed by the Issuer all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder but solely from amounts in the Administrative Expense Funds established under the Fiscal Agent Agreements. Neither the Dissemination Agent nor the Trustee nor Fiscal Agent shall have any duty or obligation to review any information provided to it hereunder or shall be deemed to be acting in any fiduciary capacity for the Issuer, the owners of the Bonds or any other party.

Any company succeeding to all or substantially all of the Dissemination Agent's corporate trust business shall be the successor to the Dissemination Agent hereunder without the execution or filing of any document or any further act.

Section 12. Notices. Any notices or communications to or among any of the parties to this Disclosure Agreement may be given as follows:

Issuer:	Riverside Unified School District Financing Authority 3380 Fourteenth Street Riverside, CA 92501 Attention: Treasurer
Dissemination Agent:	U.S. Bank National Association 633 West 5th Street, 24th Floor Los Angeles, CA 90071-2005
Participating Underwriter:	Stifel, Nicolaus & Company, Incorporated 515 S. Figueroa St., Suite 1800 Los Angeles, CA 90071

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notice or communications should be sent.

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

Section 14. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

RIVERSIDE UNIFIED SCHOOL DISTRICT
FINANCING AUTHORITY

By: _____
Treasurer

U.S. BANK NATIONAL ASSOCIATION, as
Dissemination Agent

By: _____
Authorized Signatory

EXHIBIT A

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY

Name of Bond Issue: \$_____ RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY 2015 SPECIAL TAX REVENUE REFUNDING BONDS

Date of Issuance: _____, 2015

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by the Indenture of Trust dated as of _____ 1, 2015, by and between the Issuer and U.S. Bank National Association, as trustee. The Issuer anticipated that the Annual Report will be filed by _____.

Dated: _____

U.S. BANK NATIONAL ASSOCIATION, as
Dissemination Agent on behalf of the Issuer

APPENDIX G

DTC AND THE BOOK-ENTRY-ONLY SYSTEM

The information in this section concerning DTC and DTC's book-entry only system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the completeness or accuracy thereof. The following description of the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, premium, if any, accreted value and interest on the Bonds to DTC Participants or Beneficial Owners, confirmation and transfers of beneficial ownership interests in the Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC to the District which the District believes to be reliable, but the District and the Underwriter do not and cannot make any independent representations concerning these matters and do not take responsibility for the accuracy or completeness thereof. Neither the DTC, Direct Participants, Indirect Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

The Depository Trust Company ("DTC"), New York, New York, 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 will be issued for each annual maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited through the facilities of 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 Bonds representing their ownership interests in 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 prepayments, 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 a maturity are being prepaid, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity 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, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Trustee, 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 Trustee, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Trustee, 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.

A Bond Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to the Trustee, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, to the Trustee. The requirement for physical delivery of Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Bonds to the Trustee's DTC account.

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 Trustee. Under such circumstances, in the event that a successor depository is not obtained, physical 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, Bonds will be printed and delivered to DTC.

THE TRUSTEE, AS LONG AS A BOOK-ENTRY ONLY SYSTEM IS USED FOR THE BONDS, WILL SEND ANY NOTICE OF REDEMPTION OR OTHER NOTICES TO OWNERS ONLY TO DTC. ANY FAILURE OF DTC TO ADVISE ANY DTC PARTICIPANT, OR OF ANY DTC PARTICIPANT TO NOTIFY ANY BENEFICIAL OWNER, OF ANY NOTICE AND ITS CONTENT OR EFFECT WILL NOT AFFECT THE VALIDITY OF SUFFICIENCY OF THE PROCEEDINGS RELATING TO THE REDEMPTION OF THE BONDS CALLED FOR REDEMPTION OR OF ANY OTHER ACTION PREMISED ON SUCH NOTICE.

APPENDIX H
SPECIMEN MUNICIPAL BOND INSURANCE POLICY

**Board Meeting Agenda
December 08, 2014**

Topic: Resolution No. 2014/15-21 – Resolution of the Board of Education of the Riverside Unified School District Authorizing the Issuance of Bonds of Certain Community Facilities Districts Designated 2015 Special Tax Revenue Refunding Bonds for the Purpose of Defeasing and Refunding the Outstanding Bonds of Said Districts, Appointing Fiscal Agent and Escrow Agent, Approving Bond Purchase Agreement and Authorizing Negotiation of Terms of the Sale of Said Bonds, Approving Preliminary Official Statement and Authorizing Preparation of Final Official Statement, Approving Continuing Disclosure Agreement, Authorizing Obtaining Ratings of Said Bonds and Purchase of Municipal Bond Insurance

Presented by: Michael Fine, Deputy Superintendent, Business Services and Governmental Relations

Responsible

Cabinet Member: Michael Fine, Deputy Superintendent, Business Services and Governmental Relations

Type of Item: Action

Short Description: The Board of Education will consider adopting Resolution No. 2014/15-21 authorizing the issuance of special tax revenue refunding bonds for Community Facilities Districts Nos. 10, 13 (Improvement Area No. 1), 14, 15 (Improvement Area No. 2), 17, 18, 21 (Improvement Area No. 2), 22 and 24, and approving various related agreements and statements.

DESCRIPTION OF AGENDA ITEM:

The Board of Education is being asked to consider the adoption of a resolution authorizing the issuance of special tax refunding bonds for Community Facilities Districts (CFDs) Nos. 10, 13 (Improvement Area No. 1), 14, 15 (Improvement Area No. 2), 17, 18, 21 (Improvement Area No. 2), 22 and 24 (the “Refunding Bonds”). The Refunding Bonds will be sold to the joint powers authority Riverside Unified School District Financing Authority (the “Authority”). In separate action, the Authority will sell revenue bonds to provide funds to purchase the Refunding Bonds. The proceeds of the sale of the Refunding Bonds will be used to redeem the outstanding bonds of the CFDs on March 1, 2014. The Refunding Bonds are being sold at interest rates that are lower than the interest rates on the bonds that will be refunded. This will result in savings for

property owners within the designated CFDs. It should be noted that the final list of CFDs to be refunded may change depending on levels of savings to be achieved.

The resolution authorizes the issuance of the Refunding Bonds, and approves 1) a Bond Purchase Contract between the School District and the Authority whereby the Authority will agree to purchase the Refunding Bonds, 2) a Bond Purchase Agreement between the Authority and Stifel Nicolaus & Company, Incorporated (the “Underwriter”) whereby the Underwriter will purchase the Authority revenue bonds, 3) the form of the Fiscal Agent Agreement for the Refunding Bonds which will be entered into by the District and U.S. Bank National Association, as Fiscal Agent, with respect to the Refunding Bonds for each CFD, 4) the form of the Escrow Agreement which will be entered into by the District and U.S. Bank National Association, as Escrow Agent, with respect to the outstanding bonds of each CFD whereby proceeds of the sale of the Refunding Bonds (and other funds related to those outstanding bonds) will be deposited in escrow funds to accomplish the refunding and redemption of the bonds that are to be refunded on March 1, 2015, and 5) a Preliminary Official Statement for the Authority revenue bonds and the Refunding Bonds. The resolution authorizes the Superintendent or the Deputy Superintendent to complete the refunding transactions.

The resolution provides that the interest rate on any maturity of the Refunding Bonds shall not exceed five percent (5.00%); the purchase price to be paid by the Authority for the purchase of the Refunding Bonds shall not be less than an amount equal to the aggregate principal amount of the Refunding Bonds; and the last maturity of date of the Refunding Bonds shall not be later than the last maturity date of the outstanding bonds that will be refunded.

The resolution further provides that neither the Superintendent nor the Deputy Superintendent shall execute and deliver the Bond Purchase Contract with the Authority unless 1) the interest rates which shall be contained therein with respect to all maturities of the Refunding Bonds will result in a net present value savings in total debt service with respect to the outstanding bonds that will be refunded of at least four percent (4%), or a reduction in the amount of the Special Tax that will be levied in each fiscal year on all parcels in the applicable CFD of at least four percent (4%), and 2) the total net interest cost to maturity of the Refunding Bonds, plus the principal amount of the Refunding Bonds will be less than the total net interest cost to maturity with respect to the outstanding bonds that will be refunded, plus the principal amounts of those bonds.

This refunding transaction has been organized and is being carried out consistent with Board Policy #3470 – Debt Management. Fieldman, Rolapp & Associates, Inc. is acting as Financial Advisor, Best, Best & Krieger LLP is acting as Bond Counsel, Stradling Yocca Carlson & Raith, APC is acting as Disclosure Counsel, David Taussig & Associates is acting as Special Tax Consultant, and U.S. Bank NA is acting as Trustee, Fiscal Agent and Escrow Agent. All of the attachments are in substantially final form but some revisions and data refinements will continue to be made ahead of final publication and use.

FISCAL IMPACT: None related to this specific agenda item.

RECOMMENDATION: It is recommended that the Board of Education adopt Resolution No. 2014/15-21 – Resolution of the Board of Education of the Riverside Unified School District Authorizing the Issuance of Bonds of Certain Community Facilities Districts Designated 2015 Special Tax Revenue Refunding Bonds for the Purpose of Defeasing and Refunding the Outstanding Bonds of Said Districts, Appointing Fiscal Agent and Escrow Agent, Approving Bond Purchase Agreement and Authorizing Negotiation of Terms of the Sale of Said Bonds, Approving Preliminary Official Statement and Authorizing Preparation of Final Official Statement, Approving Continuing Disclosure Agreement, Authorizing Obtaining Ratings of Said Bonds and Purchase of Municipal Bond Insurance.

ADDITIONAL MATERIAL: 1) Resolution 2014/15-21, 2) Bond Purchase Contract, 3) Bond Purchase Agreement, 4) Fiscal Agent Agreements with and without Improvement Areas, 5) Escrow Agreement, and 5) Preliminary Official Statement with Continuing Disclosure Agreement

Attached: Yes

RESOLUTION NO. 2014/15-21

RESOLUTION OF THE BOARD OF EDUCATION OF RIVERSIDE UNIFIED SCHOOL DISTRICT AUTHORIZING THE ISSUANCE OF BONDS OF CERTAIN COMMUNITY FACILITIES DISTRICTS DESIGNATED 2015 SPECIAL TAX REVENUE REFUNDING BONDS FOR THE PURPOSE OF DEFEASING AND REFUNDING THE OUTSTANDING BONDS OF SAID DISTRICTS, APPOINTING FISCAL AGENT AND ESCROW AGENT, APPROVING BOND PURCHASE AGREEMENT AND AUTHORIZING NEGOTIATION OF TERMS OF THE SALE OF SAID BONDS, APPROVING PRELIMINARY OFFICIAL STATEMENT AND AUTHORIZING PREPARATION OF FINAL OFFICIAL STATEMENT, APPROVING CONTINUING DISCLOSURE AGREEMENT, AUTHORIZING OBTAINING RATINGS OF SAID BONDS AND PURCHASE OF MUNICIPAL BOND INSURANCE

WHEREAS, bonds have been issued for the Community Facilities Districts of Riverside Unified School District, County of Riverside, State of California identified in Exhibit “A” attached hereto and by this reference incorporated herein and are outstanding in the aggregate principal amounts which are set forth in Exhibit “A” (Each such Community Facilities District is hereinafter referred to as a “District” and such districts are referred to in combination as the “Districts”); and

WHEREAS, the Board of Education (the “Board of Education”) of Riverside Unified School District (the “School District”) has been advised that it may be possible to issue bonds of each District for the purpose of refunding the outstanding bonds of each District at interest rates that will result in a net present value savings of four percent (4%) or more from the interest rates on the currently outstanding bonds of the District and to thereby provide savings to the property owners in each District through reduced special taxes that will be levied on parcels of taxable property in each District to pay the principal of and interest on the outstanding bonds of each District (the bonds that may be issued for each District to defease and refund the outstanding bonds of each District are hereinafter referred to as the “Refunding Bonds.”); and

WHEREAS, the Refunding Bonds of each District shall be designated “Community Facilities District No. 10, Community Facilities District No. 13 (Improvement Area No. 1), Community Facilities District No. 14, Community Facilities District No. 15 (Improvement Area No. 2), Community Facilities District No. 17, Community Facilities District No. 18, Community Facilities District No. 21 (Improvement Area No. 2), Community Facilities District No. 22 and Community Facilities District No. 24 2015 Special Tax Refunding Bonds;” and

WHEREAS, also set forth in Exhibit “A” for each District is an aggregate principal amount of the Refunding Bonds that may be issued for each District; and

WHEREAS, payment of the principal of and interest on the outstanding bonds of each District (which for some of the Districts were issued for Improvement Areas of such Districts) are secured by special taxes that are levied on parcels of taxable property in the District, or in the Improvement Areas for which such outstanding bonds were issued (the “Special Taxes”); and

WHEREAS, payment of the principal of and interest on the Refunding Bonds that may be issued by each District will be secured by such Special Taxes; and

WHEREAS, pursuant to Section 53345.8 of the California Government Code, the Board of Education, as the legislative body of each District, may sell bonds of the District only if it determines prior to the award of the sale of such bonds that the value of the real property that would be subject to the Special Tax to pay debt service on the bonds will be at least three (3) times the principal amount of the bonds to be sold and the principal amount of all other bonds outstanding that are secured by a special tax levied pursuant to the Mello-Roos Community Facilities Act of 1982 (Section 53311, *et seq.*, of the California Government Code) or a special assessment levied on property within the District; and

WHEREAS, also included in Exhibit “A” attached hereto is the total assessed value of taxable property in each District and in each Improvement Area for which the outstanding bonds of a District were issued, as provided by David Taussig & Associates, Inc., the special tax consultant to the School District, based on a review of the Riverside County Assessor’s Assessment Roll for fiscal year 2014-15; and

WHEREAS, upon the issuance of the Refunding Bonds of each District and the deposit of the appropriate portion of the proceeds of the sale of such Refunding Bonds in the escrow fund to be established to accomplish the defeasance and refunding of the outstanding bonds of the District, such outstanding bonds will be defeased and the property in the District, and in the Improvement Areas for which such outstanding bonds may have been issued, will no longer be subject to the levy of special taxes to pay debt service on such outstanding bonds; and

WHEREAS, if the Refunding Bonds of each District are issued and sold in an aggregate principal amount that does not exceed the aggregate principal amount set forth in Exhibit “A” hereto, the value of the parcels of real property within the District, or within the Improvement Areas for which the Refunding Bonds of the District will be issued, that will be subject to the levy of the Special Taxes will be more than three (3) times the principal amount of such Refunding Bonds and any other direct and overlapping land secured debt within such District; and

WHEREAS, there has been presented to the Board of Education a form of Bond Purchase Contract whereby the Riverside Unified School District Financing Authority (the “Authority”) will purchase the Refunding Bonds of the Districts from the School District (the “Bond Purchase Contract”); and

WHEREAS, to provide funds with which to pay the purchase price for the Refunding Bonds, the Authority will issue its revenue bonds designated “Riverside Unified

School District Financing Authority 2015 Special Tax Revenue Refunding Bonds” (the “Authority Bonds”); and

WHEREAS, there has been presented to the Board of Education a form of Bond Purchase Agreement to be entered into by the Authority and Stifel, Nicolaus & Company, Incorporated (the “Underwriter”) whereby the Underwriter has offered to purchase the Authority Bonds from the Authority; and

WHEREAS, there has also been presented to the Board of Education a form of Preliminary Official Statement relating to the Authority Bonds and the Refunding Bonds (the “Preliminary Official Statement”); and

WHEREAS, there has also been presented to the Board of Education a form of Fiscal Agent Agreement (the “Fiscal Agent Agreement”) to be executed and delivered by the School District and U.S. Bank National Association, as Fiscal Agent, with respect to the Refunding Bonds that will be issued by each District or for any Improvement Area thereof, whereby the Fiscal Agent will authenticate and deliver such Refunding Bonds and perform certain other duties; and

WHEREAS, there has also been made available to the Board of Education a form of Escrow Agreement (the “Escrow Agreement”) to be executed and delivered by the School District and U.S. Bank National Association, as Escrow Agent, with respect to the defeasance and redemption of the outstanding bonds of each District, including the outstanding bonds which may have been issued for any Improvement Area, whereby the Escrow Agent will receive a portion of the proceeds of the sale of the Refunding Bonds and certain funds related to the outstanding bonds of each District that will be deposited in an escrow fund to provide for the defeasance and redemption of the outstanding bonds of each District, including the outstanding bonds which may have been issued for any Improvement Area, and will perform certain other duties; and

WHEREAS, the Board of Education has considered the forms of the Fiscal Agent Agreement, the Escrow Agreement, the Bond Purchase Contract, the Bond Purchase Agreement, and the Preliminary Official Statement and has determined that it is in the best interest of the owners of property in and the residents of each District, and in each Improvement Area for which the Refunding Bonds will be issued, that the Board of Education authorize the issuance and sale of the Refunding Bonds and the execution and delivery of said agreements, and approve and authorize the distribution of the Preliminary Official Statement, subject to the conditions hereinafter contained;

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE BOARD OF EDUCATION OF RIVERSIDE UNIFIED SCHOOL DISTRICT AS FOLLOWS:

Section 1. Findings. The Board of Education finds (a) that the preceding recitals are true and correct, (b) that the sale of the Refunding Bonds of each District at private sale, without advertising for bids, will result in a lower overall cost to each District, (c) that if the Refunding Bonds of each District are issued and sold in an aggregate principal amount that does

not exceed the aggregate principal amount set forth for the District in Exhibit "A" hereto, the value of the parcels of real property within the District, or the parcels of real property within each Improvement Area for which the Refunding Bonds will be issued, that will be subject to the levy of the Special Taxes to pay the principal of and interest on the Refunding Bonds of the District, as set forth in Exhibit "A" hereto, will be more than three (3) times the aggregate principal amount of such Refunding Bonds and the direct and overlapping land secured debt within the Districts, and (d) upon the issuance of the Refunding Bonds of each District there will be no other bonds, other than such Refunding Bonds and any other existing parity obligations, that will be secured by a special tax or a special assessment levied on property within the District, or on property within the Improvement Area for which the Refunding Bonds will be issued.

Section 2. Authorization of the Issuance of the Bonds. The Board of Education authorizes the issuance and sale of the Refunding Bonds of each District in an aggregate principal amount that shall not exceed the aggregate principal amount of the Refunding Bonds of such District that is (or for each District for which Refunding Bonds will be issued for Improvement Areas of such District, the aggregate principal amounts of such Refunding Bonds that are) set forth in Exhibit "A" hereto, and the President and the Vice-President of this Board of Education, the Superintendent and the Deputy Superintendent, Business Services and Governmental Relations (the "Deputy Superintendent") (each an "Authorized Officer") are authorized and directed to take all steps and actions which are necessary to accomplish the issuance, sale and delivery of the Refunding Bonds pursuant to the authorization given by and the conditions specified in this resolution. The President and the Clerk of the Board of Education are authorized to execute the Refunding Bonds for and on behalf of the School District and each District by their manual or facsimile signatures. The Refunding Bonds shall be dated as of their date of delivery pursuant to the Bond Purchase Contract. The last maturity date of the Refunding Bonds of each District shall not be later than the last maturity date of any of the outstanding bonds of such District, as set forth in Exhibit "A" hereto.

Pursuant to Section 53363.8 of the California Government Code, the Board of Education determines that the Designated Costs of Issuing the Bonds for each District shall include (i) all expenses incident to the calling, retiring, or paying of the outstanding bonds of such District, and incident to the issuance of the Refunding Bonds of the District, including the charges of any agent in connection with the issuance of the Refunding Bonds or in connection with the redemption or retirement of the outstanding bonds of the District, (ii) the interest on the outstanding bonds of the District to the date upon which each of such outstanding bonds will be paid pursuant to the fiscal agent agreement authorizing the issuance of such outstanding bonds, and (iii) any premium necessary in calling or retiring any of the outstanding bonds of the District.

Section 3. Approval of Fiscal Agent Agreement. The form of the Fiscal Agent Agreement which provides generally for (i) the authentication and delivery by the Fiscal Agent of the Refunding Bonds of a District, (ii) the establishment and administration by the Fiscal Agent of certain funds and accounts for the benefit of the School District and the owners of the Refunding Bonds, (iii) the payment by the Fiscal Agent of the principal of and interest on the Refunding Bonds from the Special Tax Revenues (as defined therein), and (iv) the performance of other duties by the Fiscal Agent, is approved in the form provided to the Board

of Education at the meeting at which this resolution is adopted, and the Authorized Officers are each individually authorized to execute and deliver, on behalf of the School District, such Fiscal Agent Agreement with respect to the Refunding Bond of each District. For each District for which Refunding Bonds will be issued for an Improvement Area of such District, Authorized Officers are each individually authorized to execute and deliver such Fiscal Agent Agreement for the Refunding Bonds that will be issued for such Improvement Area.

Section 4. Appointment of Fiscal Agent. U.S. Bank National Association is appointed as Fiscal Agent pursuant to the Fiscal Agent Agreement for each District, including the Fiscal Agent Agreements for the Refunding Bonds of any District which will be issued for the Improvement Areas in such District, to take any and all action provided therein to be taken by the Fiscal Agent.

Section 5. Approval of Escrow Agreement. The form of the Escrow Agreement which provides for (i) the defeasance and redemption of the outstanding bonds of a District, (ii) the creation and administration by the Escrow Agent of an Escrow Fund for the benefit of the owners of such outstanding bonds, and (iii) the performance of other duties by the Escrow Agent, is approved in the form provided to the Board of Education at the meeting at which this resolution is adopted, and the Authorized Officers are each individually authorized to execute and deliver, on behalf of the School District, such an Escrow Agreement with respect to the outstanding bonds of each District, and with respect to the outstanding bonds that were issued for any Improvement Area thereof.

Notwithstanding the preceding provisions of this section, as required by Section 53363.9 of the California Government Code, the amount of the proceeds of the sale of the Refunding Bonds of each District and other amounts to be deposited in the Escrow Fund with respect to the outstanding bonds of such District, and earnings from the investment thereof, shall be in an amount sufficient to pay the principal of and interest on such outstanding bonds on March 1, 2015, and to pay the principal and redemption premium due on such outstanding bonds on such date, and the Designated Costs of Issuing the Bonds with respect to the Refunding Bonds of the District, as certified by a certified public accountant licensed to practice in the State of California.

Section 6. Appointment of Escrow Agent. U.S. Bank National Association is appointed as Escrow Agent pursuant to the Escrow Agreements to take any and all action provided therein to be taken by the Escrow Agent.

Section 7. Approval of Preliminary Official Statement; Preparation of Final Official Statement. The Preliminary Official Statement is approved, and the Superintendent or the Deputy Superintendent are each individually authorized to consent to and assist in the preparation of such modifications thereto as may be specified by Best Best & Krieger LLP, bond counsel to the School District (“Bond Counsel”) and Stradling Yocca Carlson & Rauth, disclosure counsel to the School District (“Disclosure Counsel”). The Superintendent or the Deputy Superintendent are each individually authorized to determine, with the assistance of Bond Counsel and Disclosure Counsel, when the Preliminary Official Statement is to be deemed final within the meaning of Rule 15c2-12 of the Securities and Exchange Commission and to deliver a certificate to that effect to the Underwriter. The Underwriter is authorized to distribute

the Preliminary Official Statement as approved hereby, or as modified with the consent of the Superintendent or the Deputy Superintendent to prospective purchasers of the Bonds. The Superintendent or the Deputy Superintendent are authorized to participate in the preparation of the Final Official Statement, based on the Preliminary Official Statement, and such modifications thereto as may be agreed to by Bond Counsel, Disclosure Counsel and the Underwriter. The Authorized Officers are each individually authorized to sign the Final Official Statement on behalf of the School District and the Districts.

Section 8. Issuance of Bonds. The Board of Education approves and authorizes the issuance and sale of the Refunding Bonds of each District, including the Refunding Bonds that will be issued for any Improvement Area of any District, by negotiation with the Authority and the Underwriter pursuant to the Authority Bonds Purchase Agreement between the Authority and the Underwriter and the Bond Purchase Contract between the School District and the Authority in the forms presented to the Board of Education at the meeting at which this resolution is adopted, together with any changes therein or additions thereto which are deemed advisable by the Superintendent or the Deputy Superintendent. The Authorized Officers are each individually authorized and directed to execute and deliver the final form of the Bond Purchase Contract on behalf of the School District and the Districts upon the submission of an offer by the Authority to purchase the Refunding Bonds, which offer is acceptable to the Authorized Officers and is consistent with the requirements of this resolution; provided that the true interest cost of the Refunding Bonds of any District shall not exceed 5.00%; the purchase price to be paid by the Authority for the purchase of such Refunding Bonds shall not be less than an amount equal to the aggregate principal amount of such Refunding Bonds; and the last maturity date of such Refunding Bonds shall not be later than the last maturity date of the outstanding bonds of such District. When any of the Authorized Officers has negotiated the Bond Purchase Contract with the Authority and the Underwriter within the parameters specified above and when the other terms and conditions of the Bond Purchase Contract are satisfactory to the Authorized Officers, the Authorized Officers are authorized to execute and deliver the Bond Purchase Contract to the Authority on behalf of the School District and the Districts.

Notwithstanding the preceding provisions of this section or any other section of this resolution, Refunding Bonds shall not be issued and sold for any District unless (a) the interest rates which will be contained in the Bond Purchase Contract with respect to all maturities of the Refunding Bonds of such District will result in a net present value savings in total debt service with respect to the outstanding bonds of such District of at least four percent (4%), or a reduction in the amount of the Special Tax that will be levied in each fiscal year on all parcels in such District, or in the Improvement Area for which the Refunding Bonds will be issued, of at least four percent (4%), and (b) the total net interest cost to maturity of such Refunding Bonds, plus the principal amount of such Refunding Bonds will be less than the total net interest cost to maturity with respect to the outstanding bonds of such District, plus the principal amount of such outstanding bonds. The Authorized Officers are authorized and directed to provide for the modification of the Bond Purchase Contract so that Refunding Bonds will not be issued and sold for any District for which the requirements of this paragraph will not be satisfied.

Section 9. Notice of Redemption. The Authorized Officers are each authorized and directed to provide for the mailing and publication, and the Fiscal Agent, in its

capacity as fiscal agent for the outstanding bonds of each District, is authorized to mail and publish, notice of the redemption of the outstanding bonds of each District to the registered owners thereof as required by Section 53365 of the California Government Code and the fiscal agent agreements for such bonds.

Section 10. Rating and Insurance. The Authorized Officers are authorized to assist the Authority in obtaining a rating of the Authority Bonds, or a portion thereof, from one or more nationally recognized rating services, and if it is necessary, in order to improve said rating, to assist the Authority in obtaining a policy of municipal bond insurance guaranteeing payment of principal and interest with respect to the Authority Bonds, and to agree to the payment the premium or fee therefor from the proceeds of the sale of the Authority Bonds or from the proceeds of the sale of the District Bonds, if the Authorized Officers determine that obtaining such an improved rating will result in a lower total interest cost with respect to the Refunding Bonds of each of the Districts.

Section 11. Modifications. The approval of the forms of the Fiscal Agent Agreement, the Escrow Agreement, the Bond Purchase Contract and the Bond Purchase Agreement given by this resolution shall apply to any modification or amendment of any of said agreements which is agreed upon and approved by the Authorized Officers, as being necessary to carry out the provisions thereof and the authorization and direction provided in this resolution.

Section 12. Further Action. The Authorized Officers are authorized to take any and all action which is directed by Bond Counsel with respect to the execution and delivery of the Fiscal Agent Agreements, the Escrow Agreements and the Bond Purchase Contract and the issuance, sale and delivery of the Bonds, which in the opinion of Bond Counsel is necessary in order for the authorization and direction provided in this resolution to be carried out.

Section 13. Conditions of Approval. The approvals, authorization and direction given by this resolution are conditioned upon the satisfaction of the requirements of this resolution with respect to the issuance and sale of the Bonds. The officers of the School District designated above shall not take any action with respect to the execution and delivery of the Fiscal Agent Agreements, the Escrow Agreements and the Bond Purchase Contract or the issuance, sale and delivery of the Bonds unless and until such conditions are satisfied; provided, however, that upon satisfaction of such conditions, this resolution shall be fully effective and shall be carried out by such officers without further approval or action of the Board of Education. The approvals, authorization and direction provided by this resolution shall continue, subject to the satisfaction of such conditions, until March 30, 2015, and the Refunding Bonds may be sold, and the Refunding Bonds, the Fiscal Agent Agreements, the Escrow Agreements, the Bond Purchase Contract, the Bond Purchase Agreement, the Preliminary Official Statement, and the Final Official Statement may be dated, entered into, executed and delivered or distributed, as appropriate, on any date selected by the Superintendent or the Deputy Superintendent and the Underwriter prior to said date.

Section 14. Effective Date. This resolution shall take effect upon adoption and shall remain in effect until March 30, 2015, or if the Bonds are issued prior to said date, until all of the Bonds are paid at or redeemed prior to maturity.

PASSED AND ADOPTED by the Board of Education of Riverside Unified School District at its regular meeting held on the 8th day of December, 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

Kathy Y. Allavie
Clerk of the Board of Education

STATE OF CALIFORNIA)
) ss.
COUNTY OF RIVERSIDE)

I, Kathy Y. Allavie, Clerk of the Board of Education of Riverside Unified School District, do hereby certify that the above and foregoing is a full, true and correct copy of Resolution No. 2014/15-20 of said Board, and that the same has not been amended or repealed.

Dated: _____, 2014.

Clerk of the Board of Education
of Riverside Unified School District

EXHIBIT "A"

INFORMATION AND LIMITATIONS REGARDING
OUTSTANDING BONDS AND REFUNDING BONDS

A. COMMUNITY FACILITIES DISTRICT NO. 10

1. Outstanding Bonds: Bonds of Community Facilities District No. 10 designated "Community Facilities District No. 10 of Riverside Unified School District 2005 Special Tax Bonds" were issued on April 14, 2005 in the aggregate principal amount of \$1,510,000 and are outstanding in the aggregate principal amount of \$1,345,000. The final maturity date of these bonds is September 1, 2034. These bonds are subject to optional redemption on March 1, 2015 at a redemption price equal to 101% of the principal amount to be redeemed, together with accrued interest to the date of redemption.

2. Refunding Bonds: Community Facilities District No. 10 of Riverside Unified School District 2015 Special Tax Refunding Bonds; maximum aggregate principal amount \$1,600,000.

3. Total Fiscal Year 2014-15 Assessed Valuation of Property: \$24,721,747.

B. COMMUNITY FACILITIES DISTRICT NO. 13 (IMPROVEMENT AREA NO. 1)

1. Outstanding Bonds: Bonds of Community Facilities District No. 13 (Improvement Area No. 1) designated "Community Facilities District No. 13 (Improvement Area No. 1) of Riverside Unified School District 2005 Special Tax Bonds" were issued as of December 15, 2005 in the aggregate principal amount of \$8,000,000 and are outstanding in the aggregate principal amount of \$6,685,000. The final maturity date of these bonds is September 1, 2034. These bonds are subject to optional redemption on March 1, 2015 at a redemption price equal to 101% of the principal amount to be redeemed, together with accrued interest to the date of redemption.

2. Refunding Bonds: Community Facilities District No. 13 (Improvement Area No. 1) of Riverside Unified School District 2015 Special Tax Refunding Bonds; maximum aggregate principal amount \$7,000,000.

3. Total Fiscal Year 2014-15 Assessed Valuation of Property: \$105,398,010.

C. COMMUNITY FACILITIES DISTRICT NO. 14

1. Outstanding Bonds: Bonds of Community Facilities District No. 14 designated "Community Facilities District No. 14 of Riverside Unified School District 2005 Special Tax Bonds" were issued as of April 28, 2005 in the aggregate principal amount of \$6,560,000 and are outstanding in the aggregate principal amount of \$5,450,000. The final maturity date of these bonds is September 1, 2035. These bonds are subject to optional redemption on March 1, 2015 at a redemption price equal to 101% of the principal amount to be redeemed, together with accrued interest to the date of redemption.

2. Refunding Bonds: Community Facilities District No. 14 of Riverside Unified School District 2015 Special Tax Refunding Bonds; maximum aggregate principal amount \$6,000,000.

3. Total Fiscal Year 2014-15 Assessed Valuation of Property: \$69,717,087.

D. COMMUNITY FACILITIES DISTRICT NO. 15 (IMPROVEMENT AREA NO. 2)

1. Outstanding Bonds: Bonds of Community Facilities District No. 15 designated “Community Facilities District No. 15 of Riverside Unified School District 2005 Special Tax Bonds (Improvement Area No. 2)” were issued on November 22, 2005 in the aggregate principal amount of \$20,155,000 and are outstanding in the aggregate principal amount of \$16,995,000. The final maturity date of these bonds is September 1, 2035. These bonds are subject to optional redemption on March 1, 2015 at a redemption price equal to 101% of the principal amount to be redeemed, together with accrued interest to the date of redemption.

2. Refunding Bonds: Community Facilities District No. 15 (Improvement Area No. 2) of Riverside Unified School District 2015 Special Tax Refunding Bonds; maximum aggregate principal amount \$18,000,000.

3. Total Fiscal Year 2014-15 Assessed Valuation of Property: \$148,448,235.

E. COMMUNITY FACILITIES DISTRICT NO. 17

1. Outstanding Bonds: Bonds of Community Facilities District No. 17 designated “Community Facilities District No. 17 of Riverside Unified School District 2005 Special Tax Bonds” were issued on August 11, 2005 in the aggregate principal amount of \$2,910,000 and are outstanding in the aggregate principal amount of \$2,730,000. The final maturity date of these bonds is September 1, 2035. These bonds are subject to optional redemption on March 1, 2015 at a redemption price equal to 101% of the principal amount to be redeemed, together with accrued interest to the date of redemption.

2. Refunding Bonds: Community Facilities District No. 17 of Riverside Unified School District 2015 Special Tax Refunding Bonds; maximum aggregate principal amount \$3,000,000.

3. Total Fiscal Year 2014-15 Assessed Valuation of Property: \$23,940,620.

F. COMMUNITY FACILITIES DISTRICT NO. 18

1. Outstanding Bonds: Bonds of Community Facilities District No. 18 designated “Community Facilities District No. 18 of Riverside Unified School District 2005 Special Tax Bonds” were issued on June 23, 2005 in the aggregate principal amount of \$3,090,000 and are outstanding in the aggregate principal amount of \$2,505,000. The final maturity date of these bonds is September 1, 2034. These bonds are subject to optional redemption on March 1, 2015 at a redemption price equal to 101% of the principal amount to be redeemed, together with accrued interest to the date of redemption.

2. Refunding Bonds: Community Facilities District No. 18 of Riverside Unified School District 2015 Special Tax Refunding Bonds; maximum aggregate principal amount \$3,000,000.

3. Total Fiscal Year 2014-15 Assessed Valuation of Property: \$52,072,832.

G. COMMUNITY FACILITIES DISTRICT NO. 21 (IMPROVEMENT AREA NO. 2)

1. Outstanding Bonds: Bonds of Community Facilities District No. 21 (Improvement Area No. 2) (Mission Ranch) designated “Community Facilities District No. 21 (Mission Ranch) of Riverside Unified School District 2007 Special Tax Bonds, Series A (Improvement Area No. 2)” were issued on June 28, 2007 in the aggregate principal amount of \$3,305,000 and are outstanding in the aggregate principal amount of \$3,225,000. The final maturity date for these bonds is September 1, 2037. These bonds are subject to optional redemption on March 1, 2015 at a redemption price equal to 103% of the principal amount to be redeemed, together with accrued interest to the date of redemption.

2. Refunding Bonds: Community Facilities District No. 21 (Improvement Area No. 2) of Riverside Unified School District 2015 Special Tax Refunding Bonds; maximum aggregate principal amount \$3,800,000.

3. Total Fiscal Year 2014-15 Assessed Valuation of Property (Improvement Area No. 2): 38,730,078

H. COMMUNITY FACILITIES DISTRICT NO. 22

1. Outstanding Bonds: Bonds of Community Facilities District No. 22 designated “Community Facilities District No. 22 of Riverside Unified School District 2006 Special Tax Bonds, Series A” were issued on January 26, 2006 in the aggregate principal amount of \$5,710,000 and are outstanding in the aggregate principal amount of \$4,815,000. The final maturity date of these bonds is September 1, 2035. These bonds are subject to optional redemption on March 1, 2015 at a redemption price equal to 102% of the principal amount to be redeemed, together with accrued interest to the date of redemption.

2. Refunding Bonds: Community Facilities District No. 22 of Riverside Unified School District 2015 Special Tax Refunding Bonds; maximum aggregate principal amount \$5,100,000.

3. Total Fiscal Year 2014-15 Assessed Valuation of Property: \$48,978,619.

I. COMMUNITY FACILITIES DISTRICT NO. 24

1. Outstanding Bonds: Bonds of Community Facilities District No. 24 designated “Community Facilities District No. 24 of Riverside Unified School District 2006 Special Tax Bonds, Series A” were issued on April 25, 2006 in the aggregate principal amount of \$5,985,000 and are outstanding in the aggregate principal amount of \$5,710,000. The final maturity date of these bonds is September 1, 2036. These bonds are subject to optional redemption on March 1,

2015 at a redemption price equal to 102% of the principal amount to be redeemed, together with accrued interest to the date of redemption.

2. Refunding Bonds: Community Facilities District No. 24 of Riverside Unified School District 2015 Special Tax Refunding Bonds; maximum aggregate principal amount \$6,100,000.

3. Total Fiscal Year 2014-15 Assessed Valuation of Property: \$58,430,208.

FISCAL AGENT AGREEMENT

by and between

RIVERSIDE UNIFIED SCHOOL DISTRICT

and

U.S. BANK NATIONAL ASSOCIATION
as Fiscal Agent

Dated as of January 1, 2015

Relating to

Community Facilities District No. ___
of Riverside Unified School District
County of Riverside
State of California

\$ _____
2015 Special Tax Refunding Bonds

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FISCAL AGENT AGREEMENT

THIS FISCAL AGENT AGREEMENT (the “Agreement”) is entered into and dated as of January 1, 2015, by and between Riverside Unified School District, a unified school district (the “School District”), for and on behalf of Community Facilities District No. ___ of Riverside Unified School District, County of Riverside, State of California (the “District”), and U.S. Bank National Association, a national banking association, duly organized and existing under the laws of the United States of America, as fiscal agent (the “Fiscal Agent”).

WITNESSETH:

WHEREAS, the Board of Education of the School District (the “Board of Education”) has established the District pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the California Government Code (the “Act”); and

WHEREAS, bonds of the District designated “Community Facilities District No. ___ 2015 Special Tax Bonds” have been issued in the aggregate principal amount of \$_____ and are outstanding in the aggregate principal amount of \$_____, and the Board of Education has determined that it is in the best interest of the owners of property in the District that bonds of the District (the “Bonds”) be issued to defease and refund the outstanding bonds of the District; and

WHEREAS, the Board of Education has determined that the Bonds shall be issued in the aggregate principal amount of \$_____ and

WHEREAS, all things necessary to cause such bonds, when executed by the School District and authenticated by the Fiscal Agent for the District and issued as in the Act, the Resolution (as hereinafter defined) and this Agreement provided, to be legal, valid and binding special obligations of the District in accordance with their terms, and all things necessary to cause the authorization, execution and delivery of this Agreement and the authorization, execution, authentication and delivery of such bonds, subject to the terms hereof, have in all respects been duly authorized; and

WHEREAS, the Riverside Unified School District Financing Authority (the “Authority”) will issue its Riverside Unified School District Financing Authority 2015 Special Tax Revenue Refunding Bonds for the purpose of providing moneys with which to purchase the Bonds; and

WHEREAS, the Board of Education has determined that it is in the best interest of the owners of the property in the District that the Bonds be sold to the Authority on the terms and conditions hereinafter specified;

NOW, THEREFORE, in consideration of the covenants and provisions herein set forth and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE I

AUTHORITY AND DEFINITIONS

Section 1.01. Authority for this Agreement. This Agreement is entered into pursuant to the provisions of the Act and the Resolution.

Section 1.02. Agreement for Benefit of Bondowners. The provisions, covenants and agreements herein set forth to be performed by or on behalf of the School District and/or the District shall be for the equal benefit, protection and security of the Owners. All of the Bonds, without regard to the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof, except as expressly provided in or permitted by this Agreement. The Fiscal Agent may become the owner of any of the Bonds with the same rights it would have if it were not Fiscal Agent. If Parity Bonds are issued for the purpose of discharging the indebtedness of a portion of the Outstanding Bonds, as provided in Section 9.03 hereof, the provisions of this Section 1.02 shall apply to such Parity Bonds to the same extent and with the same effect as they apply to the Bonds.

Section 1.03. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.03 shall, for all purposes of this Agreement, of any Supplemental Agreement, and of any certificate, opinion or other document herein mentioned, have the meanings herein specified. All references herein to “Articles,” “Sections” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Agreement, and the words “herein,” “hereof,” “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or subdivision hereof. Any capitalized terms used herein and not otherwise defined herein shall have the meaning set forth in the Indenture.

“Act” means the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the California Government Code.

“Administrative Expenses” means any or all of the following: the fees and expenses of the Fiscal Agent and the Authority Trustee (including any fees or expenses of their counsel), the expenses of the School District in carrying out its duties hereunder (including, but not limited to, the levying and collection of the Special Taxes) including the fees and expenses of its counsel, an allocable share of the salaries of the School District staff directly related thereto and a proportionate amount of the School District general administrative overhead related thereto, any amounts paid by the School District from its general funds, the expenses of the Authority in carrying out its duties under the Authority Indenture, including the fees and expenses of its counsel, and all other costs and expenses of the School District, the Authority, the Fiscal Agent or the Authority Trustee, incurred in connection with the discharge of their respective duties hereunder or under the Authority Indenture and, in the case of the School District, in any way related to the administration of the District.

“Administrative Expense Fund” means the fund by that name established by Section 3.05(A) hereof.

“Agreement” means this Agreement, as it may be amended or supplemented from time to time by any Supplemental Agreement adopted pursuant to the provisions hereof.

“Annual Debt Service” means, for each Bond Year, the sum of (i) the interest due on the Outstanding Bonds in such Bond Year, assuming that the Outstanding Bonds are retired as scheduled, and (ii) the principal amount of the Outstanding Bonds scheduled to be paid.

“Auditor” means the Auditor-Controller of the County of Riverside.

“Authority” means the Riverside Unified School District Financing Authority.

“Authority Bonds” means the Riverside Unified School District Financing Authority 2015 Special Tax Revenue Refunding Bonds.

“Authority Bonds Reserve Fund” means the Reserve Fund established pursuant to Section 4.03 of the Authority Indenture.

“Authority Bonds Reserve Fund” means the Authority Bonds Reserve Fund established pursuant to the Authority Indenture.

“Authority Bonds Reserve Fund Proportionate Share” means the District’s proportionate share of the Reserve Requirement as of the Closing Date. The Authority Bonds Reserve Fund Proportionate Share for the Bonds shall equal \$_____ on the Closing Date, subject to any reduction pursuant to Section 4.03(G) hereof, and upon a redemption pursuant to Section 2.03 hereof.

“Authority Indenture” means the Indenture of Trust to be dated as of the Closing Date by and between the Authority and U.S. Bank National Association, as Trustee, with respect to the Authority Bonds.

“Authority Trustee” means U.S. Bank National Association, the Trustee appointed by the Authority and acting as Trustee pursuant to the Authority Indenture.

“Authorized Officer” means any officer or employee of the School District authorized by the Board of Education or by an Authorized Officer to undertake the action referenced in this Agreement as required to be undertaken by an Authorized Officer.

“Board of Education” means the Board of Education of the School District.

“Bond Counsel” means any attorney or firm of attorneys acceptable to the School District and nationally recognized for expertise in rendering opinions as to the legality and tax-exempt status of securities issued by public entities.

“Bond Fund” means the fund by that name established by Section 4.02(A) hereof.

“Bond Year” means the period beginning on the Closing Date and ending on September 1, 2015 and thereafter the period beginning on each September 2 and ending on the following September 1.

“Bonds” means, unless otherwise expressly provided, the Community Facilities District No. __ of Riverside Unified School District 2015 Special Tax Refunding Bonds, authorized by and at any time Outstanding pursuant to the Act and this Agreement.

“Business Day” means any day other than (i) a Saturday or a Sunday or (ii) a day on which banking institutions in the State of California or in any state in which the Fiscal Agent has its Principal Office are authorized or obligated by law or executive order to be closed.

“Closing Date” means _____, 2015 the date upon which there is an exchange of the Bonds for the proceeds representing payment of the purchase price of the Bonds by the Original Purchaser.

“Code” means the Internal Revenue Code of 1986, as amended.

“Costs of Issuance” means items of expense payable or reimbursable directly or indirectly by the School District and/or the Authority and related to the authorization, sale and issuance of the Bonds and/or the Authority Bonds, which items of expense shall include, but not be limited to, printing costs, costs of reproducing and binding documents, including but not limited to the preliminary official statement and official statement regarding the Authority Bonds and the Bonds, closing costs, filing and recording fees, initial fees and charges of the Fiscal Agent or the Authority Trustee including its first annual administration fee and the fees of its counsel, expenses incurred by the School District in connection with the issuance of the Bonds and/or the Authority Bonds and the establishment of the District, underwriter’s discount relating to the Bonds and/or the Authority Bonds, including the fees of Bond Counsel and Disclosure Counsel, financial advisor’s fees, charges for authentication, transportation and safekeeping of the Bonds and/or the Authority Bonds and other costs, charges and fees in connection with the foregoing.

“Costs of Issuance Fund” means the fund by that name established by Section 3.06(A) hereof.

“Debt Service” means the amount of interest and principal payable on the Bonds scheduled to be paid during the period of computation, excluding amounts payable during such period which relate to principal of the Bonds which are scheduled to be retired and paid before the beginning of such period.

“Defeasance Securities” means for, purposes of Section 9.03(C) hereof, the following:

- (i) Cash;
- (ii) United States Treasury Certificates, Notes and Bonds (including State and Local Government Series - “SLGs”);
- (iii) Direct obligations of the United States Treasury which have been stripped by the Treasury itself, CATS, TIGRS and similar securities;

(iv) Resolution Funding Corporation (REFCORP) obligations; provided that only the interest component of REFCORP strips which have been stripped by request of the Federal Reserve Bank of New York in book-entry form are acceptable;

(v) Pre-refunded municipal bonds rated “Aaa” by Moody’s and “AAA” by Standard & Poor’s; provided, however, that if the issue is only rated by Standard & Poor’s (i.e., there is no Moody’s rating), then the pre-refunded bonds must have been pre-refunded with cash, direct United States or United States guaranteed obligations, or “AAA” rated pre-refunded municipal bonds; and

(vi) Obligations issued by the following agencies which are backed by the full faith and credit of the United States of America:

- (a) U.S. Export-Import Bank
Direct obligations or fully guaranteed certificates of beneficial ownership
- (b) Federal Financing Bank
- (c) General Services Administration
Participation certificates
- (d) United States Maritime Administration
Guaranteed Title XI financing
- (e) United States Department of Housing and Urban Development
Project notes
Local Authority Bonds
New Communities Debentures - United States government guaranteed debentures
United States Public Housing Notes and Bonds - United States government guaranteed public housing notes and bonds.

“District” means Community Facilities District No. ___ of Riverside Unified School District, County of Riverside, State of California.

“Escrow Agent” means U.S. Bank National Association, acting as Escrow Agent pursuant to the Escrow Agreement.

“Escrow Agreement” means the Escrow Agreement dated as of the Closing Date to be entered into by the School District and the Escrow Agent whereby Proceeds of the Bonds will be deposited in the Escrow Fund for the defeasance and refunding of the bonds of the Outstanding Bonds of the District.

“Federal Securities” means any of the following which at the time of investment are legal investments under the laws of the State of California for the moneys proposed to be invested therein:

(i) Cash; and

(ii) Direct general obligations of (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America and CATS and TIGRS), or obligations, the payment of principal of and interest on which is unconditionally guaranteed by, the United States of America.

“Fiscal Agent” means U.S. Bank National Association, the Fiscal Agent appointed by the School District, acting as an independent fiscal agent with the duties and powers herein provided, its successors and assigns, and any other corporation or association which may at any time be substituted in its place, as provided in Section 7.01 hereof.

“Fiscal Year” means the twelve-month period extending from July 1 in a calendar year to June 30 of the succeeding year, both dates inclusive.

[“Improvement Fund” means the fund by that name established pursuant to Section 3.06 hereof.]

“Indenture” means the Indenture of Trust, dated as of _____ 1, 2015, by and between the Authority and U.S. Bank National Association, as Trustee, relating to the Authority Bonds.

“Independent Financial Consultant” means a firm of certified public accountants, a financial consulting firm, a consulting engineering firm or engineer which is not an employee of, or otherwise controlled by, the School District or the Special Tax Consultant.

“Information Services” means the Electronic Municipal Market Access System of the Municipal Securities Rulemaking Board; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other services providing information with respect to called bonds as may be designated in a Certificate of the Authority delivered to the Trustee.

“Interest Account” means the account by that name established by the Fiscal Agent in the Bond Fund pursuant to Section 4.02(A) hereof.

“Interest Payment Dates” means March 1 and September 1 of each year, commencing September 1, 2015.

“Investment Earnings” means all interest earned and any gains and losses on the investment of moneys in any fund or account created by this Agreement excluding interest earned and gains and losses on the investment of moneys in the Rebate Fund.

“Joint Community Facilities Agreement” means the Joint Community Facilities Agreement, dated as of _____, by and between the School District and _____.

“Maximum Annual Debt Service” means the largest Annual Debt Service for any Bond Year after the calculation is made through the final maturity date of any Outstanding Bonds.

“Moody’s” shall mean Moody’s Investors Service, Inc., a national rating service with offices in New York, New York.

“Officer’s Certificate” means a written certificate of the School District signed by an Authorized Officer of the School District.

“Ordinance” means any ordinance of the School District or resolution of the Board of Education levying the Special Taxes.

“Original Purchaser” means the first purchaser of the Bonds from the School District (i.e., the Authority).

“Other Community Facilities District Bonds” means the Community Facilities District No. 10 of Riverside Unified School District 2015 Special Tax Refunding Bonds, Community Facilities District No. 13 (Improvement Area No. 1) of Riverside Unified School District 2015 Special Tax Refunding Bonds, Community Facilities District No. 14 of Riverside Unified School District 2015 Special Tax Refunding Bonds, Community Facilities District No. 15 (Improvement Area No. 2) of Riverside Unified School District 2015 Special Tax Refunding Bonds, Community Facilities District No. 17 of Riverside Unified School District 2015 Special Tax Refunding Bonds, Community Facilities District No. 18 of Riverside Unified School District 2015 Special Tax Refunding Bonds, Community Facilities District No. 21 (Improvement Area No. 2) of Riverside Unified School District 2015 Special Tax Refunding Bonds, Community Facilities District No. 22 of Riverside Unified School District 2015 Special Tax Refunding Bonds and Community Facilities District No. 24 of Riverside Unified School District Special Tax Refunding Bonds, which are being purchased by the Authority concurrently with its purchase of the Bonds.

“Outstanding,” when used as of any particular time with reference to the Bonds, means (subject to the provisions of Section 8.04 hereof) all Bonds except:

- (i) Bonds theretofore canceled by the Fiscal Agent or surrendered to the Fiscal Agent for cancellation;
- (ii) Bonds called for redemption which, for the reasons specified in Section 2.03(G) hereof, are no longer entitled to any benefit under this Agreement other than the right to receive payment of the redemption price therefor;
- (iii) Bonds paid or deemed to have been paid within the meaning of Section 9.03 hereof; and
- (iv) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by the School District and authenticated by the Fiscal Agent pursuant to this Agreement or any Supplemental Agreement.

“Owner” means any person who shall be the registered owner of any Outstanding Bond.

“Parity Bonds” means bonds issued by the District pursuant to Section 2.12 hereof, for the purpose of accomplishing the defeasance and refunding of a portion of the Outstanding

Bonds pursuant to Section 9.03 hereof, and that are secured by a pledge of and lien upon the Special Tax Revenues and funds pledged herein for the payment of the Bonds hereunder on a parity with the Outstanding Bonds.

“Permitted Investments” means:

(i) Federal Securities; and

(ii) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself):

- (a) U.S. Export-Import Bank
Direct obligations or fully guaranteed certificates of beneficial ownership
- (b) Federal Financing Bank
- (c) Federal Housing Administration Debentures
- (d) General Services Administration
Participation certificates
- (e) Government National Mortgage Association (GNMA)
GNMA - guaranteed mortgage-backed bonds
GNMA - guaranteed pass-through obligations
- (f) U.S. Maritime Administration
Guaranteed Title XI financing
- (g) U.S. Department of Housing and Urban Development
Project Notes
Local Authority Bonds
New Communities Debentures - United States government guaranteed debentures
U.S. Public Housing Notes and Bonds - United States government guaranteed public housing notes and bonds;

(iii) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit United States government agencies (stripped securities are only permitted if they have been stripped by the agency itself):

- (a) Federal Home Loan Bank System
Senior debt obligations

- (b) Federal Home Loan Mortgage Corporation
Participation Certificates
Senior debt obligations
- (c) Federal National Mortgage Association
Mortgage-backed securities and senior debt obligations
- (d) Student Loan Marketing Association
Senior debt obligations
- (e) Resolution Funding Corporation (REFCORP) obligations
- (f) Farm Credit System
Consolidated systemwide bonds and notes;

(iv) Money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by Standard & Poor's of "AAAm-G," "AAA-m" or "AA-m" and, if rated by Moody's, rated "Aaa," "Aa1" or "Aa2" by Moody's, including funds for which the Fiscal Agent or any of its affiliates provides investment management services;

(v) Unsecured certificates of deposit and time deposits (having maturities of not more than 365 days) of any bank whose short-term obligations are rated on the date of purchase "A-1+" or better by S&P and "P-1" by Moody's, and certificates of deposit (including those of the Fiscal Agent, its parent and its affiliates) secured at all times by collateral of the type that may be used by a national bank for purposes of satisfying its obligations to collateralize pursuant to federal law and which are issued by commercial banks, savings and loan associations or mutual savings banks whose short-term obligations are rated on the date of purchase "A-1" or better by S&P and Moody's;

(vi) Certificates of deposit, savings accounts, deposit accounts or money market deposits which are fully insured by FDIC, including BIF and SAIF;

(vii) Investment agreements with domestic or foreign banks or corporations the long-term debt or claims paying ability of which or, in the case of a guaranteed corporation, the long-term debt, or, in the case of a monoline financial guaranty insurance company, the claims paying ability or financial strength, of the guarantor is rated in at least the double A category by Standard & Poor's and Moody's; provided that, by the terms of the investment agreement:

(a) interest payments are to be made to the Fiscal Agent at times and in amounts as necessary to pay debt service on the Bonds;

(b) the invested funds are available for withdrawal without penalty or premium, at any time upon not more than seven (7) days' prior notice;

(c) the investment agreement shall provide that it is the unconditional and general obligation of, and is not subordinated to any other obligation of, the provider thereof;

(d) the School District and the Fiscal Agent receive the opinion of domestic counsel (which opinion shall be addressed to the School District) that such investment agreement is legal, valid, binding upon and enforceable against the provider in accordance with its terms and of foreign counsel (if applicable) in form and substance acceptable, and addressed to, the School District;

(e) the investment agreement shall provide that if during its term

(1) the provider's rating by either Standard & Poor's or Moody's falls below "AA-" or "Aa3", respectively, the provider shall, at its option, within ten (10) days of receipt of publication of such downgrade, either (i) collateralize the investment agreement by delivering or transferring in accordance with the applicable state and federal laws (other than by means of entries on the provider's books) to the School District, the Fiscal Agent or a third party acting solely as agent therefor (the "Holder of the Collateral") collateral free and clear of any third-party liens or claims, the market value of which collateral is maintained at levels and upon such conditions as would be acceptable to Standard & Poor's and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach); or (ii) assign the investment agreement and all of its obligations thereunder to a financial institution mutually acceptable to the provider and the School District which is rated either in the first or second highest category by Standard & Poor's and Moody's; and

(2) the provider's rating by either Standard & Poor's or Moody's is withdrawn or suspended or falls below "A-" or "A3", respectively, the provider must, at the direction of the School District or the Fiscal Agent, within ten (10) days of receipt of such direction, repay the principal of and accrued but unpaid interest on the invested funds, in either case with no penalty or premium to the School District or the Fiscal Agent, as appropriate; and

(f) the investment agreement shall provide and an opinion of counsel shall be rendered, in the event collateral is required to be pledged by the provider under the terms of the investment agreement at the time such collateral is delivered, that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this shall mean the Holder of the Collateral is in possession of such collateral); and

(g) the investment agreement shall provide that if during its term

(1) the provider shall default in its payment obligations, the provider's obligations under the investment agreement shall, at the direction of the School District or the Fiscal Agent, be accelerated and amounts invested and accrued but unpaid interest thereon shall be paid to the School District or the Fiscal Agent, as appropriate; and

(2) the provider shall become insolvent, not pay its debts as they become due, be declared or petition to be declared bankrupt, etc., the provider's obligations shall automatically be accelerated and amounts invested and accrued but unpaid interest thereon shall be paid to the School District or the Fiscal Agent, as appropriate;

(viii) Commercial paper rated, at the time of purchase, "Prime - 1" by Moody's and "A-1" or better by Standard & Poor's;

(ix) Bonds or notes issued by any state or municipality which are rated by Moody's or Standard & Poor's in one of the two highest rating categories assigned by them;

(x) Federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of "Prime - 1" or "A3" or better by Moody's and "A-1" or better by Standard & Poor's;

(xi) Repurchase agreements which satisfy the following criteria:

(a) Repurchase agreements must be between the School District or the Fiscal Agent and a dealer bank or securities firm which is:

(1) A primary dealer on the Federal Reserve reporting dealer list which is rated "A" or better by Standard & Poor's and Moody's, or

(2) A bank rated "A" or above by Standard & Poor's and Moody's;

(b) The written agreement must include the following:

(1) Securities which are acceptable for transfer are:

(A) direct obligations of the United States government,
or

(B) obligations of federal agencies backed by the full faith and credit of the United States of America (or the Federal National Mortgage Association (FNMA) or the Federal Home Loan Mortgage Corporation (FHLMC)),

(2) The collateral must be delivered to the School District or the Fiscal Agent (if the Fiscal Agent is not supplying the collateral) or a

third party acting as agent for the Fiscal Agent (if the Fiscal Agent is supplying the collateral) before or simultaneous with payment (perfection by possession of certificated securities),

(3) (A) The securities must be valued weekly, marked-to-market at current market price plus accrued interest, and

(B) The value of the collateral must be at least equal to one hundred four percent (104%) of the amount of money transferred by the Fiscal Agent to the dealer, bank or security firm under the agreement plus accrued interest. If the value of the securities held as collateral is reduced below one hundred four percent (104%) of the value of the amount of money transferred by the Fiscal Agent, then additional acceptable securities and/or cash must be provided as collateral to bring the value of the collateral to one hundred four percent (104%); provided, however, that if the securities used as collateral are those of FNMA or FHLMC, then the value of the collateral must be equal to one hundred five percent (105%) of the amount of money transferred by the Fiscal Agent; and

(c) A legal opinion must be delivered to the School District and the Fiscal Agent that the repurchase agreement meets the requirements of California law with respect to the investment of public funds; and

(xii) The following investment pools:

(a) Local Agency Investment Fund (as set forth in Government Code Section 16429.1);

(b) Riverside County Investment Pool; and

(c) California Assessment Management Pool (CAMP).

“Principal Account” means the account by that name established by the Fiscal Agent pursuant to Section 4.02(A) hereof.

“Principal Office” means with respect to the payment, registration, surrender, exchange or transfer of any Bond or Bonds, the principal corporate trust office or agency of the Fiscal Agent in St. Paul, Minnesota, or such other offices as the Fiscal Agent may designate.

“Priority Administrative Expense Amount” means the amount of \$[20,000] that will be deposited in the Administrative Expense Fund for each Fiscal Year pursuant to Section 3.04(B) hereof.

“Proceeds,” when used with reference to the Bonds, means the aggregate principal amount of the Bonds, plus accrued interest and premium, if any, less original issue discount, if any.

“Rates and Method of Apportionment of Special Tax” means the Rates and Method of Special Tax for the District.

“Rebate Certificate” means the certificate delivered by the School District upon the delivery of the Bonds relating to Section 148 of the Code, or any functionally similar replacement certificate.

“Rebate Fund” means the fund by that name established by Section 6.02 hereof.

“Record Date” means the fifteenth (15th) day of the month next preceding the applicable Interest Payment Date whether or not such day is a Business Day.

“Regulations” means the temporary and permanent regulations of the United States Department of the Treasury promulgated under the Code.

“Reserve Fund” means the fund by that name established by Section 4.03(A) hereof.

“Reserve Requirement” equals \$ _____ as of the Closing Date, which is the least of (i) ten percent (10%) of the proceeds of the sale of the Authority Bonds, (ii) Maximum Annual Debt Service on the Authority Bonds or (iii) 125 percent of average Annual Debt Service on the Authority Bonds. The Reserve Requirement may be reduced on any Calculation Date.

“Resolution” means Resolution No. ____ adopted by the Board of Education on, December 8, 2014.

“School District” means Riverside Unified School District.

“School District Certificate” means a certificate signed by the Superintendent or an Assistant Superintendent of the School District requesting the disbursement of funds from the School District Facilities Account pursuant to Section 3.03(B)(2) hereof.

“School District Facilities” means the public school facilities of the School District the construction and acquisition of which are to be financed with the Proceeds deposited in the School District Facilities Account as specified in the Joint Community Facilities Agreement.

“Securities Depositories” means The Depository Trust Company, 55 Water Street, 50th Floor, New York, New York, 10041-0099, Call Notification Department, Fax (212) 855-7232; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other securities depositories as the School District may designate in an Officer’s Certificate delivered to the Fiscal Agent.

“Special Taxes” or “Special Tax” means the special taxes levied by the Board of Education on parcels of taxable property within the District pursuant to the Act and this Agreement pursuant to the Act and this Agreement to satisfy the Debt Service and Facilities Special Tax Requirement (as defined in the Rates and Method of Apportionment of Special Tax).

“Special Tax Consultant” means an engineer or financial consultant or other such person or firm with expertise in the apportionment and levy of special taxes in community facilities

districts which is employed by the School District to assist the School District in levying the Special Taxes.

“Special Tax Fund” means the fund by that name established by Section 3.04(A) hereof.

“Special Tax Prepayments” means amounts received by the School District as prepayments of all or a portion of the Special Tax obligation of a parcel of property in the District.

“Special Tax Prepayments Account” means the account by that name established by the Fiscal Agent in the Bond Fund pursuant to Section 4.02(A) hereof.

“Special Tax Revenues” means the proceeds of the Special Taxes received by the School District, including any scheduled payments thereof, interest and penalties thereon and proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of the Special Taxes in the amount of said lien and interest and penalties thereon.

“Standard & Poor’s” means Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc., a national rating service with offices in New York, New York.

“Subordinate Bonds” means bonds issued by the District pursuant to Section 2.12 hereof, for the purpose of accomplishing the defeasance and refunding of a portion of the Outstanding Bonds pursuant to Section 9.03 hereof, and that are secured by a pledge of and lien upon the Special Tax Revenues and funds pledged herein for the payment of the Bonds hereunder subordinate to the Outstanding Bonds.

“Supplemental Agreement” means an agreement amending and supplementing this Agreement as permitted hereby.

“Surplus Account” means the account by that name established in the Special Tax Fund by Section 3.04 (A) hereof.

ARTICLE II

THE BONDS

Section 2.01. Principal Amount; Designation. The Bonds in the aggregate principal amount of \$ _____ are hereby authorized to be issued by the School District for the District under and subject to the terms of the Resolution, this Agreement, the Act and other applicable laws of the State of California. The Bonds shall be designated “Community Facilities District No. -- of Riverside Unified School District 2015 Special Tax Revenue Refunding Bonds” and shall be issued in the form attached hereto as Exhibit A.

Section 2.02. Terms of Bonds.

(A) The Bonds. The Bonds shall be issued as fully registered bonds, without coupons, in the denominations of \$5,000 or any integral multiple thereof. The Bonds shall be lettered and

numbered in a customary manner as determined by the Fiscal Agent. The Bonds shall be dated as of _____, 2015.

(B) Maturities. The Bonds shall mature and become payable on September 1 of each year, as follows:

<u>Maturity Dates</u> <u>(September 1)</u>	<u>Principal Amounts</u>	<u>Interest Rates</u>
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(C) Interest. The Bonds shall bear interest at the rates set forth in subsection (B) above payable on the Interest Payment Dates in each year. Interest shall be calculated on the basis of a 360-day year composed of twelve 30-day months. Each Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof unless (i) it is authenticated on an Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (ii) it is authenticated prior to an Interest Payment Date and after the close of business on the Record Date preceding such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (iii) it is authenticated prior to the Record Date preceding the first Interest Payment Date, in which event it shall bear interest from the Closing Date; provided, however, that if at the time of authentication of a Bond, interest is in default thereon, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon or from the Closing Date, if no interest has previously been paid or made available for payment thereon.

(D) Method of Payment. Interest on the Bonds is payable by check of the Fiscal Agent mailed by first class mail, postage prepaid, on each Interest Payment Date, until the principal amount of a Bond has been paid or made available for payment, to the registered Owner thereof at such registered Owner's address as it appears on the registration books maintained by the Fiscal Agent at the close of business on the Record Date preceding the Interest Payment Date. The principal of the Bonds and any premium on the Bonds are payable in lawful money of the United States of America by check of the Fiscal Agent upon surrender of such Bonds at the Principal Office of the Fiscal Agent; provided, however, that at the written request of the Owner of at least \$1,000,000 in aggregate principal amount of Outstanding Bonds filed with the Fiscal Agent prior to any Record Date, interest on such Bonds shall be paid to such

Owner on each succeeding Interest Payment Date by wire transfer of immediately available funds to an account in the United States of America designated in such written request. All Bonds paid by the Fiscal Agent pursuant to this subsection shall be canceled by the Fiscal Agent.

Notwithstanding the preceding provisions of this Agreement or any provision of the Bonds, so long as the Trustee is the Owner of the Bonds on behalf of the Authority, the Fiscal Agent shall pay the interest on and principal of the Bonds to the Authority Trustee, as assignee of the Authority pursuant to Section 4.01(c) of the Authority Indenture.

(E) CUSIP Identification Numbers. “CUSIP” identification numbers shall be imprinted on the Bonds, but such numbers shall not constitute a part of the contract evidenced by the Bonds. In addition, failure on the part of the School District or the Fiscal Agent to use such CUSIP numbers in any notice to the Owners shall not constitute an event of default or any violation of the School District’s contract with the Owners and shall not impair the effectiveness of any such notice.

Notwithstanding the preceding provisions of this subsection, as long as the Trustee is the Owner of the Bonds on behalf of the Authority, CUSIP identification numbers shall not be imprinted on the Bonds.

Section 2.03. Redemption.

(A) Optional Redemption. The Bonds are subject to redemption prior to their stated maturity dates on any date on or after March 1, 2025, as selected by the School District, in integral multiples of \$5,000, at the option of the School District from moneys derived by the School District from any source, at redemption prices (expressed as percentages of the principal amounts of the Bonds to be redeemed), together with accrued interest to the date of redemption.

(B) Mandatory Redemption From Special Tax Prepayments. The Bonds are subject to mandatory redemption prior to their stated maturity dates on any Interest Payment Date, as selected by the School District, in integral multiples of \$5,000, from moneys derived by the School District from Special Tax Prepayments, at redemption prices (expressed as percentages of the principal amounts of the Bonds to be redeemed), together with accrued interest to the date of redemption, as follows:

<u>Redemption Period</u>	<u>Redemption Price</u>
September 1, 2015, through September 1, 2022	103%
March 1, 2023 and September 1, 2023	102%
March 1, 2024 and September 1, 2024	101%
March 1, 2025 and any Interest Payment Date thereafter	100%

(C) Purchase of Bonds. In lieu of payment at maturity or redemption under this Section 2.03, moneys in the Bond Fund may be used and withdrawn by the Fiscal Agent for purchase of Outstanding Bonds, upon the filing with the Fiscal Agent of an Officer’s Certificate requesting such purchase, at public or private sale as and when, and at such prices (including brokerage and other charges) as such Officer’s Certificate may provide, but in no event may

Bonds be purchased at a price in excess of the principal amount thereof, plus interest accrued to the date of purchase.

(D) Notice to Fiscal Agent. An Authorized Officer shall give the Fiscal Agent, the Trustee and the Authority written notice of the School District's intention to redeem Bonds not less than forty-five (45) days prior to the applicable redemption date. Such written notice shall specify whether Bonds are to be redeemed pursuant to subsection (A) or subsection (B) above.

(E) Redemption Procedure by Fiscal Agent. The Fiscal Agent shall cause notice of any redemption to be mailed by first class mail, postage prepaid, at least thirty (30) days but not more than sixty (60) days prior to the date fixed for redemption, to the Securities Depositories and to one or more Information Services selected by an Authorized Officer, and to the respective registered Owners of any Bonds designated for redemption, at their addresses appearing on the Bond registration books maintained by the Fiscal Agent at its Principal Office; but such mailing shall not be a condition precedent to such redemption and failure to mail or to receive any such notice, or any defect therein, shall not affect the validity of the proceedings for the redemption of such Bonds. The Fiscal Agent shall also cause notice of any redemption to be mailed, in such manner and within such time, to the Original Purchaser.

Such notice shall state the date of such notice, the date of issue of the Bonds, the place or places of redemption, the redemption date, the redemption price and, if less than all of the then Outstanding Bonds are to be called for redemption, shall designate the CUSIP numbers and Bond numbers of the Bonds to be redeemed, by giving the individual CUSIP number and Bond number of each Bond to be redeemed, or shall state that all Bonds between two stated Bond numbers, both inclusive, are to be redeemed or that all of the Bonds of one or more maturities have been called for redemption, shall state as to any Bond called for redemption in part the portion of the principal of the Bond to be redeemed, shall require that such Bonds be then surrendered at the Principal Office of the Fiscal Agent for redemption at the said redemption price, and shall state that further interest on such Bonds will not accrue from and after the redemption date. The cost of the mailing of any such redemption notice shall be paid by the District.

Notwithstanding the preceding provisions of this subsection, so long as the Trustee is the Owner of the Bonds on behalf of the Authority, the Fiscal Agent shall not cause notice of any redemption of Bonds to be mailed to the Securities Depositories or the Information Services, and shall not mail notice of the redemption of Bonds to the Authority if it files a written waiver of the mailing of such notice with the Fiscal Agent.

Notwithstanding any provision to the contrary, any redemption of the Bonds shall be accompanied with a report of the Special Tax Consultant or Independent Financial Advisor demonstrating that the Revenues under the Authority Indenture remaining to be paid from the Other Community Facilities Districts together with amounts remaining to be paid hereunder, if any, are sufficient to pay Debt Service on the Authority Bonds.

Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall, to the extent practicable, bear the CUSIP number

identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

The School District shall have the right to rescind any notice of redemption prior to maturity on or prior to the date fixed for such redemption prior to maturity. Any notice of redemption shall be cancelled and annulled if for any reason funds will not be or are not available on the date so fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default hereunder. The School District and the Fiscal Agent shall have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Fiscal Agent shall mail notice of such recession of redemption in the same manner as the original notice of redemption.

If less than all the Bonds Outstanding are to be redeemed, the portion of any Bond of a denomination of more than \$5,000 to be redeemed shall be in the principal amount of \$5,000 or a multiple thereof, and, in selecting portions of such Bonds for redemption, the Fiscal Agent shall treat each such Bond as representing the number of Bonds of \$5,000 denominations which is obtained by dividing the principal amount of such Bond to be redeemed in part by \$5,000.

Whenever provision is made in this Agreement for the redemption of less than all of the Bonds of a maturity or any given portion thereof, the Fiscal Agent shall select the Bonds of such maturity to be redeemed, from all Bonds of such maturity or such given portion thereof not previously called for redemption, by lot within a maturity in any manner which the Fiscal Agent in its sole discretion shall deem appropriate.

Upon surrender of Bonds redeemed in part only, the School District shall execute and the Fiscal Agent shall authenticate and deliver to the Owner, at the expense of the District, a new Bond or Bonds, of the same maturity, of authorized denominations in an aggregate principal amount equal to the unredeemed portion of the Bond or Bonds.

(F) Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the redemption prices of the Bonds called for redemption shall have been deposited in the Bond Fund, such Bonds shall cease to be entitled to any benefit under this Agreement other than the right to receive payment of the redemption price, and interest shall cease to accrue on the Bonds to be redeemed on the redemption date specified in the notice of redemption.

All Bonds redeemed and purchased by the Fiscal Agent pursuant to this Section 2.03 shall be canceled by the Fiscal Agent.

Section 2.04. Form of Bonds. The Bonds, including the Fiscal Agent's certificate of authentication and the assignment to appear thereon, shall be substantially in the forms set forth in Exhibit A attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions as permitted or required by this Agreement.

Section 2.05. Execution of Bonds. The Bonds shall be executed on behalf of the District by the facsimile signatures of the President and the Secretary of the Board of Education, who are in office on the date of this Agreement or at any time thereafter. If any officer whose signature appears on any Bond ceases to be such officer before delivery of the Bond to the Owner, such

signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the Bond to the Owner. Any Bond may be signed and attested on behalf of the District by such persons as at the actual date of the execution of such Bond shall be the proper officers of the School District although at the nominal date of such Bond any such person shall not have been such officer of the School District.

Only such Bonds as shall bear thereon a certificate of authentication in substantially the form set forth in Exhibit A hereto, as appropriate, manually executed and dated by the Fiscal Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Agreement, and such certificate of authentication of the Fiscal Agent shall be conclusive evidence that such Bonds have been duly authenticated, registered and delivered hereunder, and are entitled to the benefits of this Agreement.

Section 2.06. Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, upon the books required to be kept pursuant to the provisions of Section 2.08 hereof, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation at the Principal Office of the Fiscal Agent, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Fiscal Agent. The cost for any services rendered or any expenses incurred by the Fiscal Agent in connection with any such transfer shall be paid by the District. The Fiscal Agent shall collect from the Owner requesting transfer of a Bond any tax or other governmental charge required to be paid with respect to such transfer.

Whenever any Bond or Bonds shall be surrendered for transfer, the School District shall execute and the Fiscal Agent shall authenticate and deliver a new Bond or Bonds of like aggregate principal amount.

No transfers of Bonds shall be required to be made (i) during the fifteen (15) days preceding the date established by the Fiscal Agent for selection of Bonds for redemption, or (ii) with respect to Bonds which have been selected for redemption.

Section 2.07. Exchange of Bonds. Bonds may be exchanged at the Principal Office of the Fiscal Agent only for a like aggregate principal amount of Bonds of authorized denominations and of the same maturity and interest rate. The cost for any services rendered or any expense incurred by the Fiscal Agent in connection with any such exchange shall be paid by the District. The Fiscal Agent shall collect from the Owner requesting exchange of a Bond any tax or other governmental charge required to be paid with respect to such exchange.

No exchanges of Bonds shall be required to be made (i) during the fifteen (15) days preceding the date established by the Fiscal Agent for selection of Bonds for redemption, or (ii) with respect to Bonds which have been selected for redemption.

Section 2.08. Bond Register. The Fiscal Agent shall keep, or cause to be kept, at its Principal Office sufficient books for the registration and transfer of the Bonds which books shall show the series, number, CUSIP identification number, date of issuance, amount, rate of interest and Owner of each Bond and shall at all times be open to inspection by the School District during regular business hours upon reasonable notice; and, upon presentation for such purpose,

the Fiscal Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, the ownership of the Bonds as hereinbefore provided.

Section 2.09. Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the School District, and may contain such reference to any of the provisions of this Agreement as may be appropriate. Every temporary Bond shall be executed by the School District upon the same conditions and in substantially the same manner as the definitive Bonds. If the School District issues temporary Bonds it will execute and furnish definitive Bonds without delay and thereupon the temporary Bonds shall be surrendered, for cancellation, in exchange for the definitive Bonds at the Principal Office of the Fiscal Agent or at such other location as the Fiscal Agent shall designate, and the Fiscal Agent shall authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations. Until so exchanged, the temporary Bonds shall be entitled to the same benefits under this Agreement as definitive Bonds authenticated and delivered hereunder.

Section 2.10. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the School District, at the expense of the Owner of said Bond, shall execute, and the Fiscal Agent shall authenticate and deliver, a replacement Bond of like tenor and principal amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Fiscal Agent of the Bond so mutilated. Every mutilated Bond so surrendered to the Fiscal Agent shall be canceled and destroyed by the Fiscal Agent. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Fiscal Agent and, if such evidence be satisfactory to it and indemnity satisfactory to it shall be given, the School District, at the expense of the Owner, shall execute, and the Fiscal Agent shall authenticate and deliver, a replacement Bond of like tenor and principal amount in lieu of and in substitution for the Bond so lost, destroyed or stolen. The School District or Fiscal Agent may require payment of a sum not exceeding the actual cost of preparing each replacement Bond delivered under this Section 2.10 and of the expenses which may be incurred by the School District and the Fiscal Agent for the preparation, execution, authentication and delivery thereof. Any Bond delivered under the provisions of this Section 2.10 in replacement of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation of the District whether or not the Bond so alleged to be lost, destroyed or stolen is at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Agreement with all other Bonds issued pursuant to this Agreement.

Section 2.11. Special Obligation. All obligations of the School District and the District under this Agreement and the Bonds shall be special obligations of the School District and the District, payable solely from the Special Tax Revenues and the funds pledged therefor pursuant hereto. Neither the faith and credit nor the taxing power of the School District, the District (except to the limited extent set forth herein) or the State of California or any political subdivision thereof is pledged to the payment of the Bonds.

Section 2.12. Parity Bonds and Subordinate Bonds. The School District will not issue Parity Bonds or Subordinate Bonds of the District for any purpose other than the defeasance and

redemption of all or a portion of the Outstanding Bonds or Parity Bonds, which issue results in a lower debt service to maturity than the Bonds. The Bonds shall only be refunded if a corresponding amount of Authority Bonds are refunded.

So long as any Insured Bonds remain Outstanding pursuant to the Indenture or any amounts are owed to the Insurer by the District, the District shall not issue or incur indebtedness payable from or secured in whole or in part by the Special Tax Revenues that (i) bears interest at other than fixed rates or (ii) permits the holder to tender such indebtedness for purchase prior to the stated maturity thereof, in either case without the prior written consent of the Insurer.

ARTICLE III

ISSUANCE OF BONDS; APPLICATION OF PROCEEDS; SPECIAL TAX FUND; ADMINISTRATIVE EXPENSE FUND; COSTS OF ISSUANCE FUND

Section 3.01. Issuance and Delivery of Bonds. At any time after the execution of this Agreement, the School District may issue the Bonds for the District in the aggregate principal amounts set forth in Section 2.01 hereof and deliver the Bonds to the Original Purchaser. The Authorized Officers of the School District are hereby authorized and directed to deliver any and all documents and instruments necessary to cause the issuance of the Bonds in accordance with the provisions of the Act, the Resolution and this Agreement, to authorize the payment of Costs of Issuance by the Fiscal Agent from the proceeds of Bonds, and to do and cause to be done any and all acts and things necessary or convenient for delivery of the Bonds to the Original Purchaser.

Section 3.02. Application of Proceeds of Sale of Bonds. The Proceeds of the sale of the Bonds to the Original Purchaser shall be paid to the Fiscal Agent, who shall forthwith set aside, pay over and deposit such Proceeds on the Closing Date as follows:

(A) Deposit in the Reserve Fund the amount of \$_____, the Authority Bonds Reserve Fund Proportionate Share as of the Closing Date;

(B) Deposit in the Costs of Issuance Fund the amount of \$_____;
and

[(C) Transfer \$_____ for deposit in the Improvement Fund.]

Such amounts represent all proceeds of the Refunded Bonds, as defined in the Escrow Agreement, transferred by the fiscal agent thereof from the Improvement Fund for the Refunded Bonds; and

(D) The Fiscal Agent shall transfer the remaining Proceeds of the Bonds in the amount of \$_____ to the Escrow Agent for deposit in the Escrow Fund pursuant to the Escrow Agreement.

Section 3.03. Special Tax Fund.

(A) Creation of Special Tax Fund. There is hereby established, as a separate account to be held by the Fiscal Agent, the “Community Facilities District No. ___ of Riverside Unified School District 2015 Special Tax Bonds Special Tax Fund” to the credit of which the School District shall deposit, within ten (10) Business Days after receipt, the Special Tax Revenues received by the School District. There is hereby also established in the Special Tax Fund, as a separate account, to be held by the Fiscal Agent, the “Surplus Account” to the credit of which amounts shall be deposited as provided in Section 3.04(B) and in Section 4.02(B) hereof. Moneys in the Special Tax Fund shall be held in trust by the Fiscal Agent for the benefit of the School District and the Owners of the Bonds, shall be disbursed as provided below and, pending disbursement, shall be subject to a lien in favor of the Owners of the Bonds.

Notwithstanding the foregoing, any amounts received by the School District which constitute Special Tax Prepayments shall be transferred by the School District immediately upon receipt to the Fiscal Agent for deposit by the Fiscal Agent in the Special Tax Prepayments Account established pursuant to Section 4.02(A) hereof.

(B) Deposit of Amounts Received from the Authority Trustee. Upon receipt of moneys from the Authority Trustee pursuant to Section 4.02(d) of the Authority Indenture and instructions from the School District in an Officer's Certificate, upon which the Fiscal Agent may conclusively rely, the Fiscal Agent shall deposit in the Surplus Account the amount of such moneys specified in such Officer's Certificate for deposit in the Surplus Account. The School District shall apply the amount deposited in the Surplus Account as a credit to the annual installments of the Special Taxes for the then current Fiscal Year.

(C) Disbursements. As soon as practicable after the receipt from the School District of any Special Tax Revenues, but no later than ten (10) Business Days after such receipt, the Fiscal Agent shall withdraw from the Special Tax Fund and deposit in the Administrative Expense Fund the Priority Administrative Expense Amount. Thereafter, on or before each Interest Payment Date, the Fiscal Agent shall deposit in the Interest Account and the Principal Account of the Bond Fund the amounts required to pay the interest on and principal of the Bonds on such Interest Payment Date, as provided in Section 4.02(B) hereof. If after such deposits are made to the Administrative Expense Fund, the Interest Account and the Principal Account there are funds remaining on deposit in the Special Tax Fund (including the Surplus Account), the School District shall instruct the Fiscal Agent by a written communication from an Authorized Officer (upon which the Fiscal Agent may conclusively rely) to transfer such amount from the Special Tax Fund (including the Surplus Account) to and transferred to the Authority Trustee to restore the Authority Bonds Reserve Fund to the Reserve Requirement if the District is a Delinquent District pursuant to Section 4.03(F) hereof. Such written communication shall specify the amount which is to be transferred from the Special Tax Fund (including the Surplus Account) to the Authority Trustee.

On or before the March 1 Interest Payment Date in each Bond Year, if the amount of other moneys which is on deposit in the Special Tax Fund is less than the amount of the interest on the Bonds which is due on such Interest Payment Date, the Fiscal Agent shall transfer moneys from the Surplus Account, to the extent of moneys on deposit therein and available for transfer,

to and deposit such moneys in the Interest Account of the Bond Fund in an amount not to exceed the deficiency in the amount of other moneys which are on deposit in the Special Tax Fund, and available for transfer, to pay the full amount of the interest on the Bonds which is due and payable on such Interest Payment Date. On or before the September 1 Interest Payment Date in each Bond Year, if the amount of moneys which is on deposit in the Special Tax Fund is less than the amount of the interest on and principal of the Bonds which is due on such Interest Payment Date, the Fiscal Agent shall transfer moneys from the Surplus Account, to the extent of moneys on deposit therein and available for transfer, to and deposit such moneys in the Interest Account and the Principal Account in amounts not to exceed the amount of the deficiency in the amount of other moneys which are on deposit in the Special Tax Fund, and available for transfer, to pay the full amount of the interest on and principal of the Bonds which is due and payable on such Interest Payment Date.

(D) Investment. Moneys in the Special Tax Fund shall be invested and deposited in accordance with Section 6.01 hereof. Investment Earnings shall be retained in the Special Tax Fund to be used for the purposes of such accounts.

Section 3.04. Administrative Expense Fund.

(A) Creation of Administrative Expense Fund. There is hereby established, as a separate account to be held by the Fiscal Agent, the “Community Facilities District No. ___ of Riverside Unified School District 2015 Special Tax Bonds Administrative Expense Fund” to the credit of which deposits shall be made as required by Section 3.03(C) hereof. Moneys in the Administrative Expense Fund shall be held in trust by the Fiscal Agent for the benefit of the School District, and shall be disbursed as provided below.

(B) Disbursement. Amounts in the Administrative Expense Fund shall be withdrawn by the Fiscal Agent and paid to the School District or its order upon receipt by the Fiscal Agent of an Officer’s Certificate stating the amount to be withdrawn, that such amount is to be used to pay an Administrative Expense (or a Cost of Issuance) and the nature of such Administrative Expense (or Cost of Issuance).

Annually, not later than the last day of each Fiscal Year, the Fiscal Agent shall withdraw any amount then remaining in the Administrative Expense Fund that has not been allocated by an Officer’s Certificate received by the Fiscal Agent from the School District to pay Administrative Expenses which are expected to be incurred in the succeeding Fiscal Year prior to the receipt by the School District of Special Tax Revenues for such succeeding Fiscal Year and transfer such amount to the Surplus Account.

(C) Investment. Subject to the provisions of subsection (B) above, moneys in the Administrative Expense Fund shall be invested and deposited in accordance with Section 6.01 hereof. Investment Earnings shall be retained by the Fiscal Agent in the Administrative Expense Fund to be used for the purposes of such fund.

Section 3.05. Costs of Issuance Fund.

(A) Creation of Costs of Issuance Fund. There is hereby established, as a separate account to be held by the Fiscal Agent, the “Community Facilities District No. ___ of Riverside

Unified School District Special Tax Bonds Costs of Issuance Fund” to the credit of which a deposit shall be made as required by paragraph (B) of Section 3.02 hereof. Moneys in the Cost of Issuance Fund shall be held in trust by the Fiscal Agent and shall be disbursed as provided in subsection (B) of this Section for the payment or reimbursement of Costs of Issuance.

(B) Disbursement. Amounts in the Costs of Issuance Fund shall be disbursed to pay Costs of Issuance, as set forth in a requisition containing respective amounts to be paid to the designated payees, signed by an Authorized Officer and delivered to the Fiscal Agent on the Closing Date. The Fiscal Agent shall pay all Costs of Issuance upon receipt of an invoice from any such payee which requests payment in an amount which is less than or equal to the amount set forth with respect to such payee in such requisition, or upon receipt of an Officer’s Certificate requesting payment of a Cost of Issuance not listed on the initial requisition delivered to the Fiscal Agent on the Closing Date. The Fiscal Agent shall maintain the Costs of Issuance Fund for a period of ninety (90) days from the Closing Date and shall then transfer and deposit any moneys remaining therein, including any Investment Earnings thereon, to the Special Tax Fund.

(C) Investment. Moneys in the Costs of Issuance Fund shall be invested and deposited in accordance with Section 6.01 hereof. Investment Earnings shall be retained by the Fiscal Agent in the Cost of Issuance Fund to be used for the purposes of such fund.

(D) Transfer of Costs of Issuance Fund to Authority Trustee. Notwithstanding any provisions of this Section 3.05 to the contrary, on the Closing Date, the Fiscal Agent shall transfer to the Authority Trustee the amount on deposit in the Costs of Issuance Fund for deposit in the Costs of Issuance Fund with respect to the Authority Bonds as provided in Section 4.09 of the Authority Indenture. The Authority Trustee shall thereafter maintain, administer and use the amounts so transferred to the Authority Bonds Costs of Issuance Fund as provided in said section of the Authority Indenture, and the amounts transferred to the Authority Bonds Costs of Issuance Fund shall thereafter be used for the payment of the Costs of Issuance (as defined herein) and as also provided in said section of the Authority Indenture. Upon the transfer of the amount on deposit in the Costs of Issuance Fund to the Authority Trustee, the provisions of subsections (A), (B) and (C) of this Section 3.05 shall be inapplicable and the Fiscal Agent shall be relieved of performance pursuant to such subsections.

Section 3.06. Improvement Fund.

(A) Establishment of Improvement Fund. There is hereby established the “Improvement Fund.” Moneys in the Improvement Fund shall be held by the Fiscal Agent. There is hereby established, as a separate fund to be held by the Fiscal Agent, the “Community Facilities District No. ___ of Riverside Unified School District Special Tax Bonds Improvement Fund.” There are hereby established as separate accounts in the Improvement Fund, to be held by the Fiscal Agent, the “School District Facilities Account,” and the “School District Facilities Account.” Deposits shall be made in the School District Facilities Account and the School District Facilities Account as required by paragraph (C) of Section 3.02 hereof. Moneys in the Improvement Fund, and all accounts therein, shall be held by the Fiscal Agent for the benefit of the School District and the School District, as provided below, and shall be disbursed, except as otherwise provided in subsection (D) of this Section 3.06, for the payment or reimbursement of the costs of the design, acquisition and construction of the Facilities, as provided below.

(B) Procedure for Disbursement.

Disbursements from the School District Facilities Account shall be made by the Fiscal Agent upon receipt of an Officer's Certificate which shall:

(a) be identified as a payment requisition and be sequentially numbered, i.e., "Requisition No. __," except that no numbering shall be required if the Officer's Certificate is a requisition for the full amount on deposit in the Improvement Fund;

(b) set forth the amount required to be disbursed, the purpose for which the disbursement is to be made and the person to which the disbursement is to be paid; and

(c) certify that no portion of the amount then being requested to be disbursed was set forth in any Officer's Certificate previously filed with the Fiscal Agent requesting disbursement, and that the amount being requested is an appropriate disbursement from the Improvement Fund.

(C) Investment. Moneys in the Improvement Fund and each account therein shall be invested and deposited in accordance with Section 6.01 of the Agreement. Investment Earnings shall be retained by the Fiscal Agent in the Improvement Fund to be used for the purposes of such account.

(D) Closing of Fund. Upon the filing of an Officer's Certificate stating that the portions of the Project which are to be financed with the moneys on deposit in the Improvement Fund have been completed and that all costs of such portions of the Project have been paid or are not required to be paid from the Improvement Fund, and further stating that moneys on deposit in the Improvement Fund are not needed to complete such portions of the project or reimburse the cost thereof, the Fiscal Agent shall transfer the amount, if any, remaining in the Improvement Fund to the Principal Account of the Bond Fund to be used to pay the principal of the Bonds.

(E) Officer's Certificate. Upon receipt of an Officer's Certificate, the Fiscal Agent is authorized to act thereon without further inquiry and shall not be responsible for the accuracy of the statements made in such Officer's Certificate or the application of the funds disbursed pursuant thereto, and shall be absolutely protected and incur no liability in relying on such Officer's Certificate.

ARTICLE IV

SPECIAL TAX REVENUES; BOND FUND; RESERVE FUND

Section 4.01. Pledge of Special Tax Revenues. The Bonds (including any Parity Bonds that may be issued) shall be secured by a first and prior pledge of and lien upon (which shall be perfected in the manner and to the extent herein provided) all of the Special Tax Revenues, except the Priority Administrative Expense Amount, all moneys on deposit in the Principal Account and the Interest Account of the Bond Fund, all moneys on deposit in the Surplus

Account of the Special Tax Fund, the Special Tax Prepayments Account for the purpose of redeeming Bonds, and all moneys on deposit in the Reserve Fund: provided, however, that after the amount initially deposited in the Reserve Fund is transferred to the Authority Trustee, as provided in Section 4.03(E) hereof, the Bonds shall only be secured by the Reserve Fund to the extent specifically provided by Section 4.03 of the Authority Indenture. The Bonds (including any Parity Bonds that may be issued) shall be equally secured by a pledge of and lien upon the Special Tax Revenues and such moneys without priority for number, date of Bond, date of execution or date of delivery; and the payment of the interest on and principal of the Bonds (including any Parity Bonds that may be issued) and any premium upon the redemption of any thereof shall be and is secured by a first and prior pledge of and lien upon the Special Tax Revenues and such moneys. The Special Tax Revenues and all moneys on deposit in such funds and accounts are hereby dedicated in their entirety to the payment of the principal of the Bonds (including any Parity Bonds that may be issued), and interest and any premium on, the Bonds (including any Parity Bonds that may be issued), as provided herein and in the Act, until all of the Bonds (including any Parity Bonds that may be issued) have been paid and retired or until moneys or Defeasance Securities have been set aside irrevocably for that purpose in accordance with Section 9.03 hereof. If Parity Bonds are issued for the purpose of discharging the indebtedness of a portion of the Outstanding Bonds pursuant to Section 9.03 hereof, the provisions of this Section 4.01 shall apply to such Parity Bonds to the same extent and with the same effect as they apply to the Bonds.

Section 4.02. Bond Fund.

(A) Deposits. There is hereby established, as a separate account to be held by the Fiscal Agent, the “Community Facilities District No. ___ of Riverside Unified School District Special Tax Bonds Bond Fund” to the credit of which deposits shall be made as required by Section 3.03(C) and Section 4.03 hereof and any other provision of this Agreement or the Act. There are hereby established in the Bond Fund, as separate accounts to be held by the Fiscal Agent, the “Interest Account” and the “Principal Account.” There is hereby also established in the Bond Fund, as a separate account to be held by the Fiscal Agent, the “Special Tax Prepayments Account” to the credit of which deposits shall be made as required by Section 3.03(A) hereof and paragraph (2) of subsection (B) below. Moneys in the Bond Fund shall be held in trust by the Fiscal Agent for the benefit of the Owners of the Bonds, shall be disbursed for the payment of the principal of, and interest and any premium on, the Bonds as provided below, and, pending such disbursement, shall be subject to a lien in favor of the Owners of the Bonds.

(B) Disbursements.

(1) Bond Fund Disbursements. Not later than five (5) Business Days before each Interest Payment Date, the Fiscal Agent shall transfer from the Special Tax Fund (including the Surplus Account) and deposit into the following respective accounts in the Bond Fund the following amounts in the following order of priority, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of Special Tax Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

(a) Interest Account. Not later than five (5) Business Days before each Interest Payment Date, the Fiscal Agent shall deposit in the Interest Account the amount required to cause the aggregate amount on deposit in the Interest Account to equal the amount of interest becoming due and payable on the Bonds on such date. No deposit need be made into the Interest Account on any Interest Payment Date if the amount on deposit therein is at least equal to the interest becoming due and payable on the Bonds on such date. All moneys in the Interest Account shall be used and withdrawn by the Fiscal Agent solely for the purpose of paying the interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds redeemed prior to maturity). All amounts on deposit in the Interest Account on the first day of any Bond Year, to the extent not required to pay any interest then having become due and payable on the Outstanding Bonds, shall be withdrawn therefrom by the Fiscal Agent and transferred to the Surplus Account.

(b) Principal Account. Not later than five (5) Business Days before each Interest Payment Date which occurs on September 1, the Fiscal Agent shall deposit in the Principal Account the amount required to cause the aggregate amount on deposit in the Principal Account to equal the principal amount of the Bonds becoming due and payable on such Interest Payment Date pursuant to Section 2.02 hereof, or the redemption price of the Bonds (consisting of the principal amount thereof and any applicable redemption premium) required to be redeemed on such date pursuant to any of the provisions of Section 2.03 hereof. All moneys in the Principal Account shall be used and withdrawn by the Fiscal Agent solely for the purpose of (i) paying the principal of the Bonds at the maturity thereof, or (ii) paying the principal of and premium (if any) on any Bonds upon the redemption thereof pursuant to Section 2.03 hereof. All amounts on deposit in the Principal Account on the first day of any Bond Year (i.e., September 2), to the extent not required to pay the principal of any Outstanding Bonds then having become due and payable on the Outstanding Bonds shall be withdrawn therefrom by the Fiscal Agent and transferred to the Surplus Account.

Notwithstanding the provisions of paragraphs (a) and (b) above, so long as the Authority is the Owner of the Outstanding Bonds, the Fiscal Agent shall immediately upon depositing an amount in the Interest Account or the Principal Account or in both such accounts, as provided in such paragraphs, pay to the Authority Trustee the amount of the Debt Service on the Bonds which is due on the succeeding Interest Payment Date. The Fiscal Agent shall notify the Authority Trustee at least five Business Days prior to each Interest Payment Date if sufficient moneys are not on deposit with the Fiscal Agent, after making all transfers required under this section, to pay interest and principal coming due on the Bonds on the next Interest Payment Date.

On the first Business Day following each Interest Payment Date, the Fiscal Agent shall transfer any moneys remaining on deposit in the Bond Fund (including the Interest Account and the Principal Account) other than moneys on deposit in the Special Tax Prepayments Account, to the Surplus Account.

In the event that moneys on deposit in the Special Tax Fund, including moneys on deposit in the Surplus Account, will be insufficient on any Interest Payment Date for the Fiscal Agent to deposit the required amounts in the Interest Account and the Principal Account, as provided above, the Fiscal Agent shall deposit the available funds first to the Interest Account up to the full amount required to cause the aggregate amount on deposit therein to equal the amount of interest becoming due and payable on the Bonds on the Interest Payment Date, and shall then deposit the remaining available funds in the Special Tax Fund, including funds on deposit in the Surplus Account, to the Principal Account up to the full amount required to cause the aggregate amount on deposit therein to equal the amount, if any, of principal becoming due and payable on the Bonds on the Interest Payment Date. If, after making such deposits to the Interest Account and the Principal Account, and after transferring moneys from the Reserve Fund to such accounts, as provided in Section 4.03(B) hereof, the amount on deposit in the Principal Account is insufficient to pay the full amount of the principal of each of the Bonds which is to be redeemed on the Interest Payment Date, the Fiscal Agent shall make a prorated payment of the principal of each of such Bonds as specified in an Officer's Certificate provided to the Fiscal Agent.

In the event that moneys on deposit in the Special Tax Fund, including moneys on deposit in the Surplus Account, will be insufficient on any Interest Payment Date for the Fiscal Agent to deposit the required amounts in the Interest Account and Principal Account as provided above, the Fiscal Agent shall promptly notify the Authority Trustee thereof so that the Authority Trustee may timely withdraw moneys from the Authority Bonds Reserve Fund to pay Debt Service on the Authority Bonds.

(2) Special Tax Prepayments Account Deposits and Disbursements. Within ten (10) Business Days after receiving a Special Tax Prepayment, the School District shall deliver the amount thereof to the Fiscal Agent, together with an Officer's Certificate notifying the Fiscal Agent that the amount being delivered is a Special Tax Prepayment which is to be deposited in the Special Tax Prepayments Account. Upon receiving a Special Tax Prepayment from the School District and such an Officer's Certificate, the Fiscal Agent shall (i) deposit the amount of the Special Tax Prepayment in the Special Tax Prepayments Account, and (ii) promptly deliver a copy of such Officer's Certificate to the Authority Trustee for appropriate action by the Authority Trustee pursuant to Section 4.03 of the Authority Indenture. Such an Officer's Certificate may be combined with the Officer's Certificate which the School District is required to deliver to the Fiscal Agent pursuant to Section 4.03(F) hereof. A portion of the moneys on deposit in the Special Tax Prepayments Account shall be transferred by the Fiscal Agent, upon receipt of an Officer's Certificate directing such transfer and specifying the amount to be transferred (upon which the Fiscal Agent may conclusively rely), to the Principal Account on the next date for which notice of the redemption of the Bonds can timely be given under Section 2.03(G) hereof and shall be used to redeem the Bonds on the redemption date selected in accordance with Section 2.03(B) hereof. The portion of the moneys on deposit in the Special Tax Prepayments Account representing funded interest on a portion of the Outstanding Bonds shall be transferred by the Fiscal Agent, upon receipt of an Officer's Certificate directing such transfer and specifying the amount to be transferred (upon which the Fiscal Agent may conclusively rely), to the Interest Account

on or before each Interest Payment Date prior to and including the Interest Payment Date on which the redemption of such Bonds will occur. Pending such transfers, the moneys on deposit in the Special Tax Prepayments Account shall be invested in Permitted Investments of such type and at such yield as Bond Counsel may determine is necessary to preserve the exclusion of interest on the Bonds from gross income for purposes of federal income taxation. Investment Earnings from such Permitted Investments shall be retained by the Fiscal Agent in the Special Tax Prepayments Account.

(C) Investment. Moneys in the Bond Fund, including all accounts therein, shall be invested and deposited in accordance with Section 6.01 hereof. Investment Earnings shall be retained in the Bond Fund, except to the extent they are required to be deposited by the Fiscal Agent in the Rebate Fund in accordance with Section 6.02 hereof. Investment earnings with respect to moneys in the Special Tax Prepayments Account shall be retained therein as specified in paragraph (2) of subsection (B) above.

Section 4.03. Reserve Fund.

(A) Creation of Fund. There is hereby established, as a separate account to be held by the Fiscal Agent, the “Community Facilities District No. ___ of Riverside Unified School District Special Tax Bonds Reserve Fund” to the credit of which a deposit shall be made as required by paragraph (A) of Section 3.02 hereof, which deposit is equal to the Authority Bonds Reserve Fund Proportionate Share, and to which deposits shall be made as provided in Section 3.04(B) hereof. Moneys in the Reserve Fund shall be held in trust by the Fiscal Agent for the benefit of the Owners of the Bonds as a reserve for the payment of the principal of and interest and any premium on the Bonds and shall be subject to a lien in favor of the Owners of the Bonds.

(B) Use of Fund. Except as otherwise provided in this Section, all amounts on deposit in the Reserve Fund shall be used and withdrawn by the Fiscal Agent solely for the purpose of making transfers to the Interest Account and the Principal Account of the Bond Fund in the event of any deficiency at any time in either of such accounts of the amount then required for payment of the principal of and interest and any premium on the Bonds or, in accordance with the provisions of subsection (D) and subsection (G) of this Section 4.03, for the purpose of redeeming Bonds.

(C) Transfer Due to Deficiency in Interest and Principal Accounts. Whenever transfer is made from the Reserve Fund to the Interest Account or the Principal Account due to a deficiency in either such account, the Fiscal Agent shall provide written notice thereof to the School District.

(D) Transfer When Balance Exceeds Outstanding Bonds or Upon Final Maturity of Bonds. Whenever the balance in the Reserve Fund is equal to or exceeds the amount required to redeem or pay the Outstanding Bonds, including interest accrued to the date of payment or redemption and premium, if any, due upon redemption, the Fiscal Agent shall, upon receiving written direction from an Authorized Officer (upon which the Fiscal Agent may conclusively rely), transfer the amount in the Reserve Fund to the Interest Account and the Principal Account to be applied, on the next succeeding Interest Payment Date, to the payment and redemption, in accordance with Section 2.03 and Section 4.02 hereof, as applicable, of all of the Outstanding

Bonds. In the event that the amount available to be so transferred from the Reserve Fund to the Interest Account and the Principal Account exceeds the amount required to pay and redeem the Outstanding Bonds, the excess shall be transferred to the School District to be used for any lawful purpose of the School District. On September 2 prior to the final maturity of the Bonds on the following September 1, the Fiscal Agent shall credit the Authority Bonds Reserve Fund Proportionate Share to the Bond Fund established hereunder as a credit toward the payment of the principal of and interest on the Bonds. Such amounts shall be transferred to the Revenue Fund held by the Trustee under the Authority Indenture and applied as set forth in Section 4.03(b)(4) of the Authority Indenture.

(E) Transfer of Reserve Fund to Authority Trustee. Notwithstanding any provisions of this Section 4.03 to the contrary, on the Closing Date, the Fiscal Agent shall transfer to the Authority Trustee the amount on deposit in the Reserve Fund for deposit in the Authority Bonds Reserve Fund as provided in Section 4.03 of the Authority Indenture. The Authority Trustee shall thereafter maintain, administer and use the amounts so transferred to the Authority Bonds Reserve Fund as provided in said section of the Authority Indenture, and the amounts transferred to the Authority Bonds Reserve Fund shall thereafter be pledged as security for the payment of the Authority Bonds as also provided in said section of the Authority Indenture. Upon the transfer of the amount on deposit in the Reserve Fund to the Authority Trustee and as long as the Authority is the Owner of the Bonds, the provisions of subsections (A), (B), (C), (D) and (G) of this Section 4.03 shall be inapplicable and the Fiscal Agent shall be relieved of performance pursuant to such subsections; provided, however, that the Special Tax Consultant shall credit the District with the Authority Bonds Reserve Fund Proportionate Share when determining the special taxes to be levied in the District prior to the final year of payment on the Bonds and such amount shall be transferred as set forth in (D) above.

(F) Restoration of Amounts Withdrawn From Reserve Fund. Upon receiving a written notification from the Authority Trustee pursuant to subsection (b) of Section 4.03 of the Authority Indenture regarding an amount withdrawn from the Authority Bonds Reserve Fund, and if the District is a Delinquent District (as defined in subsections (b) Section 4.03 of the Authority Indenture), the School District shall be obligated to restore the Authority Bonds Reserve Fund Proportionate Share from the collection of delinquent installments of the Special Taxes levied on parcels in the District for which such installments are delinquent, and penalties and interest thereon, whether by judicial foreclosure proceedings or otherwise, within five (5) Business Days following the receipt by the School District of such delinquent installments, penalties and interest. Upon receipt of any such delinquent installments of the Special Taxes, penalties and interest, the School District shall, notwithstanding the provisions of Section 3.03(C) hereof, pay to the Authority Trustee therefrom, to the extent thereof, the amount required to restore the Authority Bonds Reserve Fund Proportionate Share of the amount withdrawn from the Authority Bonds Reserve Fund, as appropriate.

Upon receiving such a notification from the Authority Trustee, and if the District is a Delinquent District, the School District shall also be obligated, under the conditions and subject to the limitations specified in Section 5.07 hereof, to include in the levy of the Special Taxes for the next Fiscal Year the amount required to restore the Authority Bonds Reserve Fund Proportionate Share of the amount withdrawn from the Authority Bonds Reserve Fund. Upon receiving Special Tax Revenues which include such amounts, the School District shall pay such

amounts to the Authority Trustee for deposit in the Authority Bonds Reserve Fund, as appropriate.

(G) Transfers on Payment of Special Tax Obligations. Whenever the School District receives a Special Tax Prepayment for a lot or parcel of property within the District, the School District shall by an Officer's Certificate notify the Fiscal Agent thereof and of the amount by which the Reserve Fund (as transferred to the Authority Trustee) is to be reduced and which is transferable from the Reserve Fund to the Principal Account of the Bond Fund, which amount shall be specified in the Officer's Certificate. Each such Officer's Certificate shall be accompanied by a report of an Independent Financial Consultant or the Special Tax Consultant verifying the accuracy of the calculation of the amount to be transferred from the Reserve Fund to the Principal Account ("Verification"). Upon receipt of each such Officer's Certificate and Verification, upon which the Fiscal Agent may conclusively rely, the Fiscal Agent shall promptly deliver a copy thereof to the Authority Trustee for appropriate action by the Authority Trustee pursuant to subsection (b) or subsection (c) of Section 4.03 of the Authority Indenture.

ARTICLE V

OTHER COVENANTS OF THE SCHOOL DISTRICT

Section 5.01. Punctual Payment. The School District will punctually pay or cause to be paid the principal of and interest and any premium on the Bonds when and as due in strict conformity with the terms of this Agreement and any Supplemental Agreement to the extent that the Special Tax Revenues are available therefor, and it will faithfully observe and perform all of the conditions, covenants and requirements of this Agreement and all Supplemental Agreements and of the Bonds.

Section 5.02. Special Obligation. The Bonds are special obligations of the School District and the District and are payable solely from and secured solely by the Special Tax Revenues and the amounts in the Bond Fund, the Reserve Fund and the Special Tax Fund, including the Surplus Account.

Section 5.03. Extension of Time for Payment. In order to prevent any accumulation of claims for interest after maturity, the School District shall not, directly or indirectly, extend or consent to the extension of the time for the payment of any claim for interest on any of the Bonds and shall not, directly or indirectly, be a party to the approval of any such arrangement by purchasing or funding said claims for interest or in any other manner. In case any such claim for interest shall be extended or funded, whether or not with the consent of the School District, such claim for interest so extended or funded shall not be entitled, in case of default hereunder, to the benefits of this Agreement, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest which shall not have been so extended or funded.

Section 5.04. Against Encumbrances. The School District shall not encumber, pledge or place any charge or lien upon any of the Special Tax Revenues or other amounts pledged to the Bonds superior to or on a parity with the pledge and lien herein created for the benefit of the Bonds, except as permitted by this Agreement.

Section 5.05. Books and Accounts. The School District shall keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the School District in which complete and correct entries shall be made of all transactions relating to the expenditure of amounts disbursed from the Administrative Expense Fund. Such books of record and accounts shall at all times during business hours, upon reasonable notice, be subject to the inspection of the Fiscal Agent (which shall have no duty to inspect) and the Owners of not less than ten percent (10%) of the aggregate principal amount of the Bonds then Outstanding, or their representatives duly authorized in writing.

Section 5.06. Protection of Security and Rights of Owners. The School District will preserve and protect the security of the Bonds and the rights of the Owners, and will warrant and defend their rights against all claims and demands of all persons. From and after the delivery of any of the Bonds by the School District, the Bonds shall be incontestable by the School District.

Section 5.07. Collection of Special Tax Revenues. The School District shall comply with all requirements of the Act, including the enactment of necessary Ordinances, so as to assure the timely collection of Special Tax Revenues, including without limitation, the enforcement of the payment or collection of delinquent Special Taxes.

On or within five (5) Business Days of May 1 of each year, the Fiscal Agent shall provide the School District with a notice stating the amount then on deposit in the Special Tax Fund, the Bond Fund and the Reserve Fund. The receipt of such notice by the School District or the failure of the Fiscal Agent to give such notice shall in no way affect the obligations of the School District under the following two paragraphs. The Fiscal Agent shall have no liability if it does not provide such notice to the School District. Upon receipt of such notice, the School District shall communicate with the Auditor to ascertain the relevant parcels on which the Special Taxes are to be levied, taking into account any parcel splits during the preceding and then current Fiscal Year.

The School District shall effect the levy of the Special Taxes each Fiscal Year in accordance with the Act by August 1 of each year (or such later date as may be authorized by the Act or any amendment thereof) that the Bonds are Outstanding, such that the computation of the levy is complete before the final date on which the Auditor will accept the transmission of the Special Tax amounts for the parcels within the District for inclusion on the tax roll for the Fiscal Year then beginning. Upon the completion of the computation of the amounts of the levy of the Special Taxes, the School District shall prepare or cause to be prepared, and shall transmit to the Auditor, such data as the Auditor requires to include the levy of the Special Taxes on the tax roll. Notwithstanding the preceding provisions of this paragraph, the Board of Education may elect, as permitted by the Act, to collect the Special Taxes to be levied for any Fiscal Year directly from the owners of the parcels of taxable property upon which the Special Taxes are levied rather than by transmitting the Special Taxes to the Auditor for collection on the tax roll; provided that, in such event, the School District shall otherwise comply with the provisions of this Section 5.07.

The School District shall fix and levy the amount of Special Taxes within the District required for the payment of the principal of and interest on any Outstanding Bonds becoming due and payable during the ensuing calendar year, including any necessary replenishment or

expenditure of the Reserve Fund, and the amount estimated to be sufficient to pay the Administrative Expenses during such calendar year. In levying the Special Taxes to replenish the Reserve Fund, if the School District receives a written notification from the Authority Trustee pursuant to Section 4.03(b)(1) or Section 4.03(c)(1) of the Authority Indenture that amounts have been withdrawn from the Authority Bonds Reserve Fund to pay debt service on the Authority Bonds and if the School District determines that such amounts were withdrawn as a result of delinquencies in the payment of Special Taxes levied on parcels in the District, the School District shall, to the extent legally permissible, include in the levy of the Special Taxes for the following Fiscal Year, the amount necessary to restore the Authority Bonds Reserve Fund Proportionate Share to the Authority Bonds Reserve Fund, as appropriate. The Special Taxes so levied shall not, in any event, exceed the maximum amounts provided for in the Rates and Method of Apportionment of Special Tax.

The Special Taxes shall be payable and be collected (except in the event of judicial foreclosure proceedings pursuant to Section 5.11 hereof) in the same manner and at the same time and in the same installments as the general taxes on real property are payable, and have the same priority, become delinquent at the same times and in the same proportionate amounts and bear the same proportionate penalties and interest after delinquency as do the general taxes on real property.

The School District will not, in collecting the Special Taxes or in processing any such judicial foreclosure proceedings, exercise any authority which it has pursuant to Sections 53340, 53344.1, 53356.1 and 53356.8 of the California Government Code in any manner which would materially and adversely affect the interests of the Bondowners and, in particular, will not permit the tender of Bonds in full or partial payment of any Special Taxes except upon receipt of a certificate of an Independent Financial Consultant that to accept such tender will not result in the School District having insufficient Special Tax Revenues to pay the principal of and interest on the Bonds remaining Outstanding following such tender.

Section 5.08. Reduction of Maximum Special Tax Rates. The School District covenants that, to the extent that it is legally permitted to avoid doing so, it will not initiate and conduct proceedings to reduce the maximum rates of Special Taxes which are authorized to be levied on taxable parcels of property within the District (the "Maximum Rates").

The School District further covenants that in the event an ordinance is adopted by initiative pursuant to Section 3 of Article XIII C of the California Constitution, which purports to reduce or otherwise alter the Maximum Rates, it will commence and pursue legal action seeking to preserve its ability to comply with its covenant contained in the preceding paragraph.

Section 5.09. Further Assurances. The School District will adopt, make, execute and deliver any and all such further ordinances, resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Agreement, and for better assuring and confirming unto the Owners of the Bonds of the rights and benefits provided in this Agreement.

Section 5.10. Tax Covenants. The School District covenants that:

(A) It will not take any action or omit to take any action, which action or omission, if reasonably expected on the date of the initial issuance and delivery of the Bonds, would have caused any of the Bonds to be “arbitrage bonds” within the meaning of Section 103(b) and Section 148 of the Code;

(B) It will not take any action or omit to take any action, which action or omission, if reasonably expected on the date of initial issuance and delivery of the Bonds, would result in loss of exclusion from gross income for purposes of federal income taxation under Section 103(a) of the Code of interest paid with respect to the Bonds;

(C) It will not take any action or omit to take any action, which action or omission, if reasonably expected on the date of initial issuance and delivery of the Bonds, would have caused any of the Bonds to be “private activity bonds” within the meaning of Section 141 of the Code;

(D) It will comply with the Rebate Certificate as a source of guidance for achieving compliance with the Code; and

(E) In order to maintain the exclusion from gross income for purposes of federal income taxation of interest paid with respect to the Bonds, it will comply with each applicable requirement of Section 103 and Sections 141 through 150 of the Code.

The covenants of the School District contained in this Section 5.10 shall survive the payment, redemption or defeasance of Bonds pursuant to Section 9.03 hereof.

Section 5.11. Covenant to Foreclose. The School District hereby covenants with and for the benefit of the Owners of the Bonds as follows: (i) it will order, and cause to be commenced, judicial foreclosure proceedings against properties in the District with delinquent Special Taxes in excess of \$5,000 by the October 1 following the close of the Fiscal Year in which such Special Taxes were due, and (ii) it will commence judicial foreclosure proceedings against all properties in the District with delinquent Special Taxes by the October 1 following the close of each Fiscal Year in which it receives Special Taxes in an amount which is less than ninety-five percent (95%) of the total Special Taxes levied, and diligently pursue to completion such foreclosure proceedings.

Section 5.12. Prepayment of Special Taxes. The School District shall cause all applications of owners of property in the District to prepay and satisfy the Special Tax obligation for their property to be reviewed by the Special Tax Consultant and shall not accept any such prepayment unless such consultant certifies in writing that the total amount of the Maximum Special Tax for Debt Service and Facilities (as defined in the Rates and Method of Apportionment of Special Tax) that may be levied on Taxable Property both prior to and after the proposed prepayment is and will be at least 1.1 times the amount of Maximum Annual Debt Service on all Outstanding Bonds plus the Priority Administrative Expense Amount. For purposes of this Section, Taxable Property means all parcels of property in the District that are not exempt from the levy of the Special Tax pursuant to the Act or the Rates and Method of Apportionment of Special Tax.

Section 5.13. Calculation of Prepayments. The School District will cause all Special Tax Prepayments to be calculated to include the amount of the premium on the Outstanding Bonds that will be redeemed with the Special Tax Prepayment and negative arbitrage on the investment of the Special Tax Prepayment from the date of receipt until the Interest Payment Date upon which the Special Tax Prepayment and the amount to be transferred from the Reserve Fund to the Principal Account pursuant to Section 4.03(F) hereof will be used to redeem Outstanding Bonds pursuant to Section 2.03(B) hereof. The School District will not include in any calculation of the amount of any Special Tax Prepayment for any parcel of taxable property in the District a proportionate amount of the Authority Bonds Reserve Fund Proportionate Share.

Section 5.14. Rights of Authority Trustee. The School District hereby grants to the Authority Trustee the right to pursue all available remedies at law or in equity to enforce any and all of the covenants, obligations and agreements contained in this Fiscal Agent Agreement.

No grace period for a covenant default shall exceed thirty (30) days or be extended for more than sixty (60) days, without the prior written consent of the Insurer. No grace period shall be permitted for payment defaults.

Section 5.15. Rights of Insurer. [To Come]

ARTICLE VI

INVESTMENTS; DISPOSITION OF INVESTMENT PROCEEDS; LIABILITY OF THE SCHOOL DISTRICT

Section 6.01. Deposit and Investment of Moneys in Funds. Subject in all respects to the provisions of Section 6.02 hereof, moneys in any fund or account created or established by this Agreement and held by the Fiscal Agent shall be invested by the Fiscal Agent in Permitted Investments, as directed pursuant to an Officer's Certificate filed with the Fiscal Agent at least two (2) Business Days in advance of the making of such investments. In the absence of any such Officer's Certificate, the Fiscal Agent shall invest any such moneys in Permitted Investments described in paragraph (iv) of the definition of Permitted Investments in Section 1.03 hereof. The Fiscal Agent shall not have any responsibility for determining the legality of any Permitted Investments. The Fiscal Agent shall have no obligation to pay additional interest or maximize investment income on any funds held by it. Neither the School District nor the Owners of the Bonds shall have any claim of any kind against the Fiscal Agent in connection with investments properly made pursuant to this Section 6.01. Obligations purchased as an investment of moneys in any fund or account shall be deemed to be part of such fund or account, subject, however, to the requirements of this Agreement for transfer of Investment Earnings in funds and accounts.

The Fiscal Agent and its affiliates may act as sponsor, advisor, depository, principal or agent in the holding, acquisition or disposition of any investment. The Fiscal Agent shall not incur any liability for losses arising from any investments made pursuant to this Section 6.01. For purposes of determining the amount on deposit in any fund or account held hereunder, all Permitted Investments credited to such fund or account shall be valued at the cost thereof (excluding accrued interest and brokerage commissions, if any).

Subject in all respects to the provisions of Section 6.02 hereof, investments in any and all funds and accounts may be commingled in a single fund for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in or to the credit of particular funds or accounts of amounts received or held by the Fiscal Agent hereunder, provided that the Fiscal Agent shall at all times account for such investments strictly in accordance with the funds and accounts to which they are credited and otherwise as provided in this Agreement.

The Fiscal Agent shall sell at the highest price reasonably obtainable (provided that the highest of any three bids received by the Fiscal Agent shall be deemed the highest price reasonably obtainable), or present for redemption, any investment security whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such investment security is credited, and the Fiscal Agent shall not be liable or responsible for any loss resulting from the acquisition or disposition of any such investment security in accordance herewith.

The School District acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the School District the right to receive brokerage confirmations of security transactions as they occur, the School District specifically waives receipt of such confirmations to the extent permitted by law. The Fiscal Agent shall furnish the School District period cash transaction statements which include detail for all investment transactions made by the Fiscal Agent hereunder.

The Fiscal Agent may make any investments hereunder through its own bond or investment department or trust investment department, or those of its parent or any affiliate.

Section 6.02. Rebate Fund; Rebate to the United States. There is hereby created, to be held by the Fiscal Agent, as a separate account distinct from all other funds and accounts held by the Fiscal Agent under this Agreement, the Rebate Fund. The Fiscal Agent shall, in accordance with written directions received from an Authorized Officer, deposit into the Rebate Fund moneys transferred by the School District to the Fiscal Agent pursuant to the Rebate Certificate or moneys transferred by the Fiscal Agent from the Bond Fund or the Reserve Fund. The Rebate Fund shall be held either uninvested or invested only in Federal Securities at the written direction of the School District. Moneys on deposit in the Rebate Fund shall be applied only to payments made to the United States, to the extent such payments are required by the Rebate Certificate. The Fiscal Agent shall, upon written request and direction of the School District, make such payments to the United States.

The Fiscal Agent's sole responsibilities under this Section 6.02 are to follow the written instructions of the School District pertaining hereto. The School District shall be responsible for any fees and expenses incurred by the Fiscal Agent pursuant to this Section 6.02.

The Fiscal Agent shall, upon written request and direction from the School District, transfer to or upon the order of the School District any moneys on deposit in the Rebate Fund in excess of the amount, if any, required to be maintained or held therein in accordance with the Rebate Certificate.

Section 6.03. Liability of School District. The School District shall not incur any responsibility in respect of the Bonds or this Agreement other than in connection with the duties or obligations explicitly herein or in the Bonds assigned to or imposed upon it. The School District shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful default. The School District shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions, covenants or agreements of the Fiscal Agent herein or of any of the documents executed by the Fiscal Agent in connection with the Bonds.

In the absence of bad faith, the School District may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the School District and conforming to the requirements of this Agreement. The School District shall not be liable for any error of judgment made in good faith unless it shall be proved that it was negligent in ascertaining the pertinent facts.

No provision of this Agreement shall require the School District to expend or risk its own general funds or otherwise incur any financial liability (other than with respect to the Special Tax Revenues) in the performance of any of its obligations hereunder, or in the exercise of and of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

The School District may rely and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, Bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The School District may consult with counsel, who may be counsel to the School District, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Whenever in the administration of its duties under this Agreement the School District 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 willful misconduct on the part of the School District, be deemed to be conclusively proved and established by a certificate of the Fiscal Agent, and such certificate shall be full warranty to the School District for any action taken or suffered under the provisions of this Agreement or any Supplemental Agreement upon the faith thereof, but in its discretion the School District may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

Section 6.04. Employment of Agents by School District. In order to perform its duties and obligations hereunder, the School District may employ such persons or entities as it deems necessary or advisable. The School District shall not be liable for any of the acts or omissions of such persons or entities employed by it in good faith hereunder, and shall be entitled to rely, and shall be fully protected in doing so, upon the opinions, calculations, determinations and directions of such persons or entities.

ARTICLE VII

THE FISCAL AGENT

Section 7.01. Appointment of Fiscal Agent. U.S. Bank National Association, is hereby appointed Fiscal Agent, registrar and paying agent for the Bonds. The Fiscal Agent undertakes to perform such duties, and only such duties, as are specifically set forth in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Fiscal Agent.

Any company into which the Fiscal 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 Fiscal Agent may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible under the following paragraph of this Section 7.01, shall be the successor to the Fiscal Agent without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

The School District may remove the Fiscal Agent initially appointed, and any successor thereto, and may appoint a successor or successors thereto, but any such successor shall be a bank or trust company having a combined capital (exclusive of borrowed capital) and surplus of at least \$50,000,000, and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section 7.01, the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Fiscal Agent may at any time resign by giving written notice to the School District and by giving to the Owners notice by mail of such resignation. Upon receiving notice of such resignation, the School District shall promptly appoint a successor Fiscal Agent by an instrument in writing. Any resignation or removal of the Fiscal Agent shall become effective upon acceptance of appointment by the successor Fiscal Agent.

If no appointment of a successor Fiscal Agent shall be made pursuant to the foregoing provisions of this Section 7.01 within forty-five (45) days after the Fiscal Agent shall have given to the School District written notice or after a vacancy in the office of the Fiscal Agent shall have occurred by reason of its inability to act, the Fiscal Agent, at the expense of the School District, or any Owner may apply to any court of competent jurisdiction to appoint a successor Fiscal Agent. Said court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor Fiscal Agent.

Section 7.02. Liability of Fiscal Agent. The recitals of facts, covenants and agreements herein and in the Bonds contained shall be taken as statements, covenants and agreements of the School District and the District, and the Fiscal Agent assumes no responsibility for the correctness of the same, nor makes any representations as to the validity or sufficiency of this Agreement or of the Bonds, nor shall the Fiscal Agent incur any responsibility in respect thereof, other than in connection with the duties or obligations herein or in the Bonds assigned to or

imposed upon it. The Fiscal Agent shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct. The Fiscal Agent assumes no responsibility or liability for any information, statement or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of the Bonds.

In the absence of bad faith, the Fiscal Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Fiscal Agent and conforming to the requirements of this Agreement. Except as provided above in this paragraph, the Fiscal Agent shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Agreement, upon any resolution, order, notice, request, consent or waiver, certificate, statement, affidavit, or other paper or document which it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper person or to have been prepared and furnished pursuant to any provision of this Agreement, and the Fiscal Agent shall not be under any duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument.

The Fiscal Agent shall not be liable for any error of judgment made in good faith by the Fiscal Agent unless it shall be proved that the Fiscal Agent was negligent in ascertaining the pertinent facts.

No provision of this Agreement shall require the Fiscal Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers.

The Fiscal Agent shall not be responsible for accounting for, or paying to, any party to this Agreement, including, but not limited to the School District and the Owners, any returns on or benefit from funds held for payment of unredeemed Bonds or outstanding checks and no calculation of the same shall affect, or result in any offset against, fees due to the Fiscal Agent under this Agreement.

The Fiscal Agent shall be under no obligation to exercise any of the rights or powers vested in it by this Agreement at the request or direction of any of the Owners pursuant to this Agreement unless such Owners shall have offered to the Fiscal Agent reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

The Fiscal Agent may become the owner of the Bonds with the same rights it would have if it were not the Fiscal Agent.

All indemnification and releases from liability granted herein to the Fiscal Agent shall extend to the directors, officers and employees of the Fiscal Agent.

Section 7.03. Information. The Fiscal Agent shall provide to the School District such information relating to the Bonds and the funds and accounts maintained by the Fiscal Agent hereunder as the School District shall reasonably request, including, but not limited to, quarterly statements reporting funds held and transactions by the Fiscal Agent.

Section 7.04. Notice to Fiscal Agent. The Fiscal Agent may rely and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, Bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The Fiscal Agent may consult with counsel, who may be counsel to the School District, with regard to legal questions, and the advice or opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Fiscal Agent hereunder in good faith and in accordance therewith.

Whenever in the administration of its duties under this Agreement the Fiscal 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 willful misconduct on the part of the Fiscal Agent, be deemed to be conclusively proved and established by a certificate of the School District, and such certificate shall be full warranty to the Fiscal Agent for any action taken or suffered under the provisions of this Agreement or any Supplemental Agreement upon the faith thereof, but in its discretion the Fiscal Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

Section 7.05. Compensation, Indemnification. The School District shall pay to the Fiscal Agent from time to time reasonable compensation for all services rendered as Fiscal Agent under this Agreement, and also all reasonable expenses, charges, fees and other disbursements, including those of its attorneys, agents and employees, incurred in and about the performance of its powers and duties under this Agreement, and the Fiscal Agent shall have a first priority lien therefor on any funds at any time held by it under this Agreement, and the Fiscal Agent shall pay and reimburse all expenses, charges, fees and other disbursements, including those of its attorneys, agents and employees, incurred in connection therewith from the funds held by it under this Agreement. The School District further agrees, to the extent permitted by applicable law, to indemnify and save the Fiscal Agent, its officers, employees, directors and agents, harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder which are not due to its negligence or willful misconduct. The obligation of the School District under this Section 7.05 shall survive resignation or removal of the Fiscal Agent under this Agreement and payment of the Bonds and discharge of this Agreement.

Section 7.06. Books and Accounts. The Fiscal Agent shall keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Fiscal Agent, in which complete and correct entries shall be made of all transactions made by it and with respect to the expenditure of amounts disbursed from the Bond Fund, the Special Tax Fund, the Administrative Expense Fund, the Reserve Fund and the Cost of Issuance Fund. Such books of record and accounts shall, upon reasonable notice, at all times during business hours be subject to the inspection of the School District and the Owners of not less than ten percent (10%) of the aggregate principal amount of the Bonds then Outstanding, or their representatives duly authorized in writing.

ARTICLE VIII

MODIFICATION OR AMENDMENT OF THIS AGREEMENT

Section 8.01. Amendments Permitted.

(A) This Agreement and the rights and obligations of the District and the School District and of the Owners of the Bonds may be modified or amended at any time by a Supplemental Agreement with either (a) the affirmative vote of the Owners at a meeting of the Owners, or (b) the written consent, without a meeting, of the Owners of at least sixty percent (60%) in aggregate principal amount of the Bonds then Outstanding, exclusive of Bonds disqualified as provided in Section 8.04 hereof. No such modification or amendment shall (i) extend the maturity of any Bond or the time for paying interest thereon, or otherwise alter or impair the obligation of the School District on behalf of the District to pay the principal of, and the interest and any premium on, any Bond, without the express consent of the Owner of such Bond, or (ii) permit the creation of any pledge of or lien upon the Special Tax Revenues, or the moneys on deposit in the Special Tax Fund, the Bond Fund or the Reserve Fund, superior to or on a parity with the pledge and lien created for the benefit of the Bonds (except as otherwise permitted by the Act, the laws of the State of California or this Agreement), (iii) reduce the percentage of Bonds required for the amendment hereof, or (iv) reduce the principal amount of or redemption premium on any Bond or reduce the interest rate thereon. Any such amendment may not modify any of the rights or obligations of the Fiscal Agent without its written consent. The School District shall deliver to the Fiscal Agent an opinion of counsel that any such Supplemental Agreement entered into by the School District and the Fiscal Agent complies with the provisions of this Section 8.01 and the Fiscal Agent may conclusively rely on such opinion.

Any amendment, supplement, modification to, or waiver of, to this Agreement, that requires the consent of owners of the District Bonds or adversely affects the rights and interests of the Insurer shall be subject to the prior written consent of the Insurer.

(B) This Agreement and the rights and obligations of the District and the School District and the Owners may also be modified or amended at any time by a Supplemental Agreement, without the consent of any Owners, only to the extent permitted by law and only for any one or more of the following purposes:

(1) to add to the covenants and agreements of the School District in this Agreement contained, other covenants and agreements thereafter to be observed, or to limit or surrender any right or power herein reserved to or conferred upon the School District;

(2) to make modifications not adversely affecting any Outstanding Bonds in any material respect;

(3) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provisions of this Agreement, or in regard to questions arising under this Agreement, as the School District and the Fiscal

Agent may deem necessary or desirable and not inconsistent with this Agreement, and which shall not adversely affect the rights of the Owners;

(4) to make such additions, deletions or modifications as may be necessary or desirable to assure compliance with Section 148 of the Code relating to required rebate of moneys to the United States or otherwise as may be necessary to assure exclusion from gross income for federal income tax purposes of interest on the Bonds or to conform with the Regulations; or

(5) to provide for the issuance of Parity Bonds to pay and discharge the indebtedness of a portion of the Outstanding Bonds (a "Partial Discharge") pursuant to Section 9.03 hereof; provided that, following the issuance of such Parity Bonds, Maximum Annual Debt Service on the Bonds that will remain Outstanding following such Partial Discharge and such Parity Bonds will not be more in any subsequent Bond Year than Maximum Annual Debt Service on the Outstanding Bonds before the issuance of such Parity Bonds.

Section 8.02. Owners' Meetings. The School District may at any time call a meeting of the Owners. In such event, the School District is authorized to fix the time and place of any such meeting and to provide for the giving of notice thereof and to fix and adopt rules and regulations for the conduct of the meeting.

Section 8.03. Procedure for Amendment with Written Consent of Owners. The School District and the Fiscal Agent may at any time enter into a Supplemental Agreement amending the provisions of the Bonds or of this Agreement or any Supplemental Agreement, to the extent that such amendment is permitted by Section 8.01(a) hereof, to take effect when and as provided in this Section 8.03. A copy of the Supplemental Agreement, together with a request to Owners for their consent thereto, shall be mailed by first class mail, postage prepaid, by the Fiscal Agent to each Owner of Bonds Outstanding, but failure to mail copies of the Supplemental Agreement and request shall not affect the validity of the Supplemental Agreement when assented to as in this Section provided.

Such a Supplemental Agreement shall not become effective unless there shall be filed with the Fiscal Agent the written consents of the Owners of at least sixty percent (60%) in aggregate principal amount of the Bonds then Outstanding (exclusive of Bonds disqualified as provided in Section 8.04) and a notice shall have been mailed as hereinafter in this Section provided. Each such consent shall be effective only if accompanied by proof of ownership of the Bonds for which such consent is given, which proof shall be such as is permitted by Section 9.05 hereof. Any such consent shall be binding upon the Owner of the Bonds giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof) unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Fiscal Agent prior to the date when the notice hereinafter in this Section provided for has been mailed.

After the Owners of the required percentage of Bonds shall have filed their consents to the Supplemental Agreement, the School District shall mail a notice to the Owners in the manner hereinbefore provided in this Section for the mailing of the Supplemental Agreement, stating in

substance that the Supplemental Agreement has been consented to by the Owners of the required percentage of Bonds and will be effective as provided in this Section (but failure to mail copies of said notice shall not affect the validity of the Supplemental Agreement or consents thereto). Proof of the mailing of such notice shall be filed with the Fiscal Agent. A record, consisting of the papers required by this Section 8.03 to be filed with the Fiscal Agent, shall be proof of the matters therein stated until the contrary is proved. The Supplemental Agreement shall become effective upon the filing with the Fiscal Agent of the proof of mailing of such notice, and the Supplemental Agreement shall be deemed conclusively binding (except as otherwise hereinabove specifically provided in this Article VIII) upon the School District, the District and the Owners of all Bonds then Outstanding at the expiration of sixty (60) days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such sixty (60)-day period.

Section 8.04. Disqualified Bonds. Bonds owned or held for the account of the School District, excepting any pension or retirement fund, shall not be deemed Outstanding for the purpose of any vote, consent or other action or any calculation of Outstanding Bonds provided for in this Article VIII, and shall not be entitled to vote upon, consent to, or participate in any action provided for in this Article VIII.

Section 8.05. Effect of Supplemental Agreement. From and after the time any Supplemental Agreement becomes effective pursuant to this Article VIII, this Agreement shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Agreement of the School District and all Owners of Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such Supplemental Agreement shall be deemed to be part of the terms and conditions of this Agreement for any and all purposes.

Section 8.06. Endorsement or Replacement of Bonds Issued After Amendments. The School District may determine that Bonds issued and delivered after the effective date of any action taken as provided in this Article VIII shall bear a notation, by endorsement or otherwise, in form approved by the School District, as to such action. In that case, upon demand of the Owner of any Bond Outstanding at such effective date and upon presentation of his Bond for that purpose at the Principal Office of the Fiscal Agent or at such other office as the School District may select and designate for that purpose, a suitable notation shall be made on such Bond. The School District may determine that new Bonds, so modified as in the opinion of the School District is necessary to conform to such action, shall be prepared, executed and delivered. In that case, upon demand of the Owner of any Bonds then Outstanding, such new Bonds shall be exchanged at the Principal Office of the Fiscal Agent without cost to any Owner, for like Bonds then Outstanding, upon surrender of such Bonds.

Section 8.07. Amendatory Endorsement of Bonds. The provisions of this Article VIII shall not prevent any Owner from accepting any amendment as to the particular Bonds held by him, provided that due notation thereof is made on such Bonds.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Benefits of Agreement Limited to Parties; Insurer as Third Party Beneficiary. Nothing in this Agreement, expressed or implied, is intended to give to any person other than the School District, the Fiscal Agent and the Owners, any right, remedy or claim under or by reason of this Agreement. Any covenants, stipulations, promises or agreements in this Agreement contained by and on behalf of the School District shall be for the sole and exclusive benefit of the Owners and the Fiscal Agent; provided, however, that the Insurer shall be a third party beneficiary to this Agreement.

Section 9.02. Successor is Deemed Included in All References to Predecessor. Whenever in this Agreement or any Supplemental Agreement either the School District or the Fiscal Agent is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Agreement contained by or on behalf of the School District or the Fiscal Agent shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 9.03. Discharge of Agreement.

If the School District shall pay and discharge the entire indebtedness of all or a portion (a "Partial Discharge") of the Outstanding Bonds in any one or more of the following ways:

(A) by well and truly paying or causing to be paid the principal of and interest and any premium on such Bonds, as and when the same become due and payable;

(B) by depositing with the Fiscal Agent, in trust, at or before maturity, an amount of money which, together with the amounts then on deposit in the Bond Fund, the Special Tax Fund and the Reserve Fund, or in the event of a Partial Discharge, the appropriate portion of such amounts, as determined by the School District and confirmed by an Independent Financial Consultant, is fully sufficient to pay all such Bonds, including all principal, interest and redemption premiums, if any; or

(C) by irrevocably depositing with the Fiscal Agent, in trust, cash or non-callable Defeasance Securities in such amount as the School District shall determine, as confirmed by an accountant acceptable to the Insurer, will, together with the interest to accrue thereon and amounts then on deposit in the Bond Fund, the Special Tax Fund and the Reserve Fund, or in the event of a Partial Discharge, the appropriate portion of such amounts, as determined by the School District and confirmed by an accountant acceptable to the Insurer, be fully sufficient to pay and discharge the indebtedness of all such Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates, (ii) an Escrow Deposit Agreement (which shall be acceptable in form and substance to the Insurer), (iii) an opinion of nationally recognized bond counsel to the effect that the Bonds are no longer "Outstanding" under this Agreement and (iv) a certificate of discharge of the Fiscal Agent with respect to the Bonds; each Verification and defeasance opinion shall be acceptable in form and substance, and

addressed, to the Issuer, Fiscal Agent and Insurer. The Insurer shall be provided with final drafts of the above referenced documentation not less than five business days prior to the funding of the escrow;

and if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as in this Agreement provided or provision satisfactory to the Fiscal Agent shall have been made for the giving of such notice; then, at the election of the School District, and notwithstanding that any such Bonds shall not have been surrendered for payment, the pledge of the Special Tax Revenues and other funds provided for in this Agreement and all other obligations of the School District and the District under this Agreement with respect to such Bonds shall cease and terminate, except the obligation of the School District to pay or cause to be paid to the Owners of such Bonds not so surrendered and paid all sums due thereon, the obligation of the School District to pay all amounts owing to the Fiscal Agent pursuant to Section 7.05 hereof, and the obligations of the School District pursuant to the covenants contained in Section 5.10 hereof; and thereafter Special Tax Revenues shall not be payable to the Fiscal Agent with respect to such Bonds. Notice of such election shall be filed with the Fiscal Agent. The satisfaction and discharge of this Agreement as to all of the Outstanding Bonds shall be without prejudice to the rights of the Fiscal Agent to charge and be reimbursed by the School District for the expenses which it shall thereafter incur in connection herewith.

Any funds held by the Fiscal Agent to pay and discharge the indebtedness on such Bonds, upon payment of all fees and expenses of the Fiscal Agent, which are not required for such purpose, shall be paid over to the School District.

Section 9.04. Execution of Documents and Proof of Ownership by Owners. Any request, consent, declaration or other instrument which this Agreement may require or permit to be executed by Owners may be in one or more instruments of similar tenor, and shall be executed by Owners in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such a request, consent, declaration or other instrument, or of a writing appointing such an attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such a notary public or other officer.

Except as otherwise herein expressly provided, the ownership of registered Bonds and the amount, maturity, number and date of holding the same shall be proved by the registration books maintained by the Fiscal Agent pursuant to Section 2.08 hereof.

Any request, consent, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the School District or the Fiscal Agent in good faith and in accordance therewith.

Section 9.05. Waiver of Personal Liability. No member, officer, agent or employee of the School District or the District shall be individually or personally liable for the payment of the

principal of, or interest or any premium on, the Bonds; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law.

Section 9.06. Notices to and Demands on School District and Fiscal Agent. Any notice or demand which by any provision of this Agreement is required or permitted to be given or served by the Fiscal Agent to or on the School District may be given or served by being deposited postage prepaid (first class, registered or certified) in a post office letter box addressed (until another address is filed by the School District with the Fiscal Agent) as follows:

Riverside Unified School District
3380 14th Street
Riverside, CA 92501
Attn: Deputy Superintendent, Business Services and
Governmental Relations

Any notice or demand which by any provision of this Agreement is required or permitted to be given or served by the School District to or on the Fiscal Agent may be given or served by being deposited postage prepaid (first class, registered or certified) in a post office letter box addressed (until another address is filed by the Fiscal Agent with the School District) as follows:

U.S. Bank National Association
Attn: Global Corporate Trust Services
633 West Fifth Street, 24th Floor
LM-CA-T24T
Los Angeles, CA 90071
Reference: Riverside USD/CFD No. ____

The notice address of the Insurer is:

Section 9.07. Partial Invalidity. If any section, paragraph, sentence, clause or phrase of this Agreement shall for any reason be held by a court of competent jurisdiction to be illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Agreement. The School District hereby declares that it would have executed and delivered this Agreement and each and every other section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Bonds pursuant thereto irrespective of the fact that any one or more sections, paragraphs, sentences, clauses or phrases of this Agreement may be held illegal, invalid or unenforceable.

Section 9.08. Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any moneys held by the Fiscal Agent in trust for the payment and discharge of the principal of, and the interest and any premium on, the Bonds which remains unclaimed for two (2) years after the date when the payment of such principal, interest and premium have become payable, if such moneys were held by the Fiscal Agent at such date, shall be paid by the

Fiscal Agent to the School District as its absolute property free from any trust, and the Fiscal Agent shall thereupon be released and discharged with respect thereto and the Owners of such Bonds shall look only to the School District for the payment of the principal of, and interest and any premium on, their Bonds.

Section 9.09. Applicable Law. This Agreement shall be governed by and enforced in accordance with the laws of the State of California applicable to contracts made and performed in the State of California.

Section 9.10. Conflict with Act. In the event of a conflict between any provision of this Agreement with any provision of the Act as in effect on the Closing Date, the provision of the Act shall prevail over the conflicting provision of this Agreement.

Section 9.11. Conclusive Evidence of Regularity. Bonds issued pursuant to this Agreement shall constitute conclusive evidence of the regularity of all proceedings under the Act relative to their issuance and the levy of the Special Taxes.

Section 9.12. Payment on Business Day. In any case where the date of the payment of interest on or of principal (and premium, if any) of the Bonds or the date fixed for redemption is other than a Business Day, the payment of interest or principal (and premium, if any) need not be made on such date but may be made on the next succeeding day which is a Business Day with the same force and effect as if made on the date required, and no interest shall accrue for the period from and after such date.

Section 9.13. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

IN WITNESS WHEREOF, the School District has caused this Agreement to be executed in its name on behalf of the District, and the Fiscal Agent, in acknowledgment of its acceptance of the duties of the Fiscal Agent created hereunder, has caused this Agreement to be executed in its name, all as of _____, 2015

RIVERSIDE UNIFIED SCHOOL DISTRICT, for
and on behalf of COMMUNITY FACILITIES
DISTRICT NO. __ OF RIVERSIDE UNIFIED
SCHOOL DISTRICT, COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA

By: _____
Authorized Signatory

U.S. BANK NATIONAL ASSOCIATION,
as Fiscal Agent

By: _____
Authorized Officer

EXHIBIT A

FORM OF BOND

No. _____

\$ _____

**UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF RIVERSIDE
COMMUNITY FACILITIES DISTRICT NO. __
OF RIVERSIDE UNIFIED SCHOOL DISTRICT
2015 SPECIAL TAX REFUNDING BONDS**

MATURITY DATE (<u>SEPTEMBER 1</u>)	PRINCIPAL <u>AMOUNT</u>	INTEREST <u>RATE</u>	DATED <u>DATE</u>	CUSIP <u>NUMBER</u>
--------------------------------------------	----------------------------	-------------------------	----------------------	------------------------

REGISTERED OWNER: U.S. BANK NATIONAL ASSOCIATION, as Trustee for
Riverside Unified School District Financing Authority

Riverside Unified School District (the "School District"), for and on behalf of Community Facilities District No. __ of Riverside Unified School District, County of Riverside, State of California (the "District"), for value received, hereby promises to pay, from the Special Taxes (as hereinafter defined) to be collected in the District or amounts in the funds and accounts held under the Agreement (as hereinafter defined) to the registered owner named above, or registered assigns, on the maturity date specified above, the principal amount specified above, and to pay interest on such principal amount from January __, 2015, or from the most recent interest payment date to which interest has been paid or duly provided for, semiannually on March 1 and September 1, commencing September 1, 2015 ("Interest Payment Dates"), at the interest rate specified above, until the principal amount hereof is paid or made available for payment. The principal of this Bond is payable by check to the registered owner hereof in lawful money of the United States of America upon presentation and surrender of this Bond at the Principal Office of U.S. Bank National Association (the "Fiscal Agent"). Interest on this Bond shall be paid by check of the Fiscal Agent mailed by first class mail, postage prepaid, on each Interest Payment Date to the registered owner hereof as of the close of business on the fifteenth (15th) day of the month preceding the month in which the Interest Payment Date occurs (the "Record Date") at such registered owner's address as it appears on the registration books maintained by the Fiscal Agent; except that at the written request of the owner of at least \$1,000,000 in aggregate principal amount of outstanding Bonds filed with the Fiscal Agent prior to the Record Date preceding any Interest Payment Date, interest on such Bonds shall be paid to such owner on such Interest Payment Date by wire transfer of immediately available funds to an account in the United States of America designated in such written request.

This Bond is one of a duly authorized issue of bonds approved by the qualified electors of the District pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the California Government Code (the "Mello-Roos Act"), for the purpose of financing certain public facilities for the District, and is one of the series of Bonds designated "Community Facilities District No. ___ of Riverside Unified School District 2015 Special Tax Refunding Bonds" (the "Bonds"), in the aggregate principal amount of \$_____. The issuance of the Bonds and the terms and conditions thereof are provided for by a resolution adopted by the Board of Education of the School District on December 8, 2014 (the "Resolution"), and the Fiscal Agent Agreement, dated as of January 1, 2015, between the School District and the Fiscal Agent (the "Agreement") and this reference incorporates the Resolution and the Agreement herein, and by acceptance hereof the owner of this Bond assents to the terms and conditions of the Resolution and the Agreement. The Resolution is adopted under, the Agreement is executed under, this Bond is issued under, and all are to be construed in accordance with, the laws of the State of California.

Pursuant to the Mello-Roos Act, the Agreement and the Resolution, the principal of and interest on the Bonds are payable from the annual levy of Special Taxes authorized under the Mello-Roos Act to be collected within the District (the "Special Taxes") and are secured by a pledge of and lien upon the revenues derived therefrom and certain funds held by the Fiscal Agent pursuant to the Agreement.

Interest on this Bond shall be payable from the Interest Payment Date next preceding the date of its authentication, unless (i) it is authenticated on an Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (ii) it is authenticated prior to an Interest Payment Date and after the close of business on the Record Date preceding such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (iii) it is authenticated prior to the Record Date preceding the first Interest Payment Date, in which event it shall bear interest from _____; provided, however, that if at the time of authentication of this Bond, interest is in default hereon, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment hereon, or from _____ if no interest has previously been paid or made available for payment hereon.

Any tax for the payment hereof shall be limited to the Special Taxes, except to the extent that provision for payment has been made by the School District as may be permitted by law. The Bonds do not constitute obligations of the School District for which the School District is obligated to levy or pledge, or has levied or pledged, general or special taxation other than as described hereinabove.

The School District has covenanted for the benefit of the owners of the Bonds as follows: (i) it will order, and cause to be commenced judicial foreclosure proceedings against properties in the District with delinquent Special Taxes in excess of \$5,000 by October 1 following the close of the fiscal year in which such Special Taxes were due, and (ii) it will commence judicial foreclosure proceedings against all properties in the District with delinquent Special Taxes by the October 1 following the close of each fiscal year in which it receives Special Taxes in an amount which is less than ninety-five percent (95%) of the total Special Taxes levied, and diligently pursue to completion such foreclosure proceedings.

The Bonds are subject to redemption prior to their stated maturity dates on any date on or after March 1, 2025, as selected by the School District, in integral multiples of \$5,000, at the option of the School District from moneys derived by the School District from any source, at redemption prices (expressed as percentages of the principal amounts of the Bonds to be redeemed), together with accrued interest to the date of redemption.

The Bonds are subject to mandatory redemption prior to their stated maturity dates on any Interest Payment Date, as selected by the School District, in integral multiples of \$5,000, from moneys derived by the School District from Special Tax Prepayments, at redemption prices (expressed as percentages of the principal amounts of the Bonds to be redeemed), together with accrued interest to the date of redemption, as follows:

<u>Redemption Period</u>	<u>Redemption Price</u>
September 1, 2015, through September 1, 2022	103%
March 1, 2023 and September 1, 2023	102%
March 1, 2024 and September 1, 2024	101%
March 1, 2025 and any Interest Payment Date thereafter	100%

Notice of redemption with respect to the Bonds to be redeemed shall be given to the registered owners thereof, in the manner and to the extent provided in the Agreement.

From and after the date fixed for redemption, if funds available for the payment of the redemption prices of the Bonds selected for redemption shall have been deposited in the Principal Account in the Bond Fund, such Bonds shall cease to be entitled to any benefit under the Agreement other than the right to receive payment of the redemption price, and interest shall cease to accrue on the Bonds to be redeemed on the redemption date specified in the notice of redemption.

This Bond shall be registered in the name of the owner hereof, as to both principal and interest.

Each registration and transfer of registration of this Bond shall be entered by the Fiscal Agent in books kept by it for that purpose and authenticated by the manual signature of an authorized signatory of the Fiscal Agent upon the certificate of authentication endorsed hereon.

No transfer or exchange hereof shall be valid for any purpose unless made by the registered owner or his duly authorized attorney, by execution of the form of assignment endorsed hereon, and authenticated as herein provided, and the principal hereof and interest hereon shall be payable only to the registered owner or to such owner's order.

The Fiscal Agent shall require the registered owner requesting transfer or exchange hereof to pay any tax or other governmental charge required to be paid with respect to such transfer or exchange.

The Agreement and the rights and obligations of the School District and the District thereunder may be modified or amended as set forth therein.

This Bond shall not become valid or obligatory for any purpose until the certificate of authentication hereon endorsed shall have been dated and manually signed on behalf of the Fiscal Agent.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by law to exist, happen and be performed precedent to and in the issuance of this Bond have existed, happened and been performed in due time, form and manner as required by law.

IN WITNESS WHEREOF, the Board of Education of Riverside Unified School District, for Community Facilities District No. __ thereof, has caused this Bond to be dated as of _____, 2015 and to be signed by the facsimile signature of the President of the Board of Education and countersigned by the facsimile signature of the Secretary of the Board of Education.

RIVERSIDE UNIFIED SCHOOL DISTRICT, for and on behalf of COMMUNITY FACILITIES DISTRICT NO. ____ OF RIVERSIDE UNIFIED SCHOOL DISTRICT, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

By: _____
President of the Board of Education of Riverside Unified School District for Community Facilities District No. __ thereof

ATTEST:

Secretary of the Board of Education

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-defined Agreement.

Dated: January __, 2015

U.S. BANK NATIONAL ASSOCIATION,
as Fiscal Agent

By: _____
Authorized Officer

ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within Bond and do(es) hereby irrevocably constitute and appoint
_____ attorney, to
transfer the same on the books of the Trustee, with full power of substitution in the premises.

Dated: _____

Note: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

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.

BOND PURCHASE CONTRACT

by and between

RIVERSIDE UNIFIED SCHOOL DISTRICT

and

RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY

Dated January 1, 2015

Relating to the Purchase of:

Special Tax Refunding Bonds
of Community Facilities Districts Nos.
[to come]
of Riverside Unified School District

BOND PURCHASE CONTRACT

THIS BOND PURCHASE CONTRACT (this “Purchase Contract”), dated January 1, 2015, is entered into by and between the RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY, a joint exercise of powers authority organized and existing under and by virtue of the laws of the State of California (the “Authority”), and RIVERSIDE UNIFIED SCHOOL DISTRICT, a public agency (the “School District”):

WITNESSETH:

WHEREAS, the Authority is a joint exercise of powers authority created pursuant to Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the Government Code of the State of California (the “Act”) for the purpose, among others, of providing financial assistance to the School District, pursuant to the Marks Roos Local Bond Pooling Act of 1985, being Article 4 of the Act (commencing with Section 6584) (the “Bond Law”); and

WHEREAS, pursuant to the Bond Law the Authority is authorized to purchase, with the proceeds of its bonds, bonds issued by the School District or any other local agency at public or private sale; and

WHEREAS, the Board of Education of the School District has determined that it is in the best interests of the owners of property within Community Facilities District No. 10 of Riverside Unified School District, Community Facilities District No. 13 (Improvement Area No. 1) of Riverside Unified School District, Community Facilities District No. 14 of Riverside Unified School District, Community Facilities District No. 15 (Improvement Area No. 2) of Riverside Unified School District, Community Facilities District No. 17 of Riverside Unified School District, Community Facilities District No. 18 of Riverside Unified School District, Community Facilities District No. 21 (Improvement Area No. 2) of Riverside Unified School District, Community Facilities District No. 22 of Riverside Unified School District and Community Facilities District No. 24 of Riverside Unified School District, (the “Districts”) that the outstanding bonds of the Districts be refunded and redeemed; and

WHEREAS, in order to accomplish the refunding and redemption of such bonds the Board of Education of the School District has authorized the issuance and sale of bonds of the Districts designated “Special Tax Refunding Bonds” (the “District Bonds”); and

WHEREAS, the Board of Education of the Authority has determined that it is in the best interests of the School District and the owners of property within the Districts that the Authority purchase the District Bonds with the proceeds of the issuance and sale of the Authority’s \$ _____ Riverside Unified School District Financing Authority 2015 Special Tax Revenue Refunding Bonds (the “Authority Bonds”), which will be issued pursuant to an Indenture of Trust, dated as of January 1, 2015 (the “Indenture”), between the Authority and U.S. Bank National Association, as trustee (the “Trustee”); and

WHEREAS, the Authority and the School District have determined to enter into this Purchase Contract providing for the purchase and sale of the District Bonds and containing the other agreements herein set forth.

NOW, THEREFORE, in consideration of the mutual agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Authority and the School District agree as follows:

1. Purchase. Upon the terms and conditions and upon the basis of the representations, warranties and agreements hereinafter set forth, the School District hereby agrees to sell to the Authority, and the Authority hereby agrees to purchase from the School District, all of the District Bonds. The purchase prices to be paid by the Authority for the District Bonds shall be the amounts specified in Exhibit A attached hereto. The District Bonds shall mature on the dates and bear interest at the rates and be subject to mandatory sinking fund redemption as set forth in Exhibit A attached hereto. The Authority shall not pay any accrued interest on the District Bonds.

2. Closing Date. The Authority hereby specifies January ___, 2015, as the Closing Date, and the School District hereby confirms that it reasonably expects to deliver the District Bonds to the Authority on such date.

3. District Bonds. The District Bonds shall be issued and secured under resolutions adopted by the Board of Education of the School District on December 8, 2014 (the "School District Resolution"), and the Fiscal Agent Agreements with respect to the District Bonds to be dated as of January 1, 2015 (the "Fiscal Agent Agreements") and entered into by the School District and U.S. Bank National Association, as fiscal agent (the "Fiscal Agent"), authorizing and providing for the issuance of the District Bonds. Interest on the District Bonds will be payable from January ___, 2015. Proceeds of the sale of the District Bonds will be used by the School District in accordance with the School District Resolutions and the Fiscal Agent Agreements.

4. Authority Action. Any action under this Purchase Contract taken by the Authority, including payment for and acceptance of the District Bonds, and delivery and execution of any receipt for the District Bonds and any other instruments in connection with the closing on the Closing Date, shall be valid and sufficient for all purposes and binding upon the Authority; provided that any such action shall not impose any obligation or liability upon the Authority other than as may arise as expressly set forth in this Purchase Contract.

5. Conditions of Sale. It is a condition to the School District's sale of the District Bonds and the obligation of the School District to deliver the District Bonds to the Authority, and to the Authority's purchase of the District Bonds and the obligations of the Authority to accept delivery of and to pay for the District Bonds, that the entire aggregate principal amount of the District Bonds authorized by the School District Resolutions and the Fiscal Agent Agreements shall be delivered by the School District to the Authority, and accepted and paid for by the Authority, on the Closing Date. The Authority will pay the purchase price for the District Bonds with a portion of the proceeds of the Authority Bonds.

6. School District Representations and Warranties. The School District represents and warrants to the Authority that:

(a) the School District is a local public agency, and the Districts are community facilities districts, duly organized and existing under the Constitution and the laws of the State of California, and the School District has, and on the Closing Date will have, full legal right, power and authority (i) to enter into this Purchase Contract, (ii) to adopt, conduct or enter into, as applicable, the School District Resolutions, the proceedings relating to the issuance of the District Bonds (the “School District Proceedings”) and the Fiscal Agent Agreements, (iii) to issue, sell and deliver the District Bonds to the Authority as provided herein and in the School District Resolutions and the Fiscal Agent Agreements, and (iv) to carry out and consummate the transactions on its part contemplated by this Purchase Contract, the School District Proceedings, the School District Resolutions, and the Fiscal Agent Agreements;

(b) the School District has complied, and will on the Closing Date be in compliance in all respects, with the School District Proceedings, the School District Resolutions and the Fiscal Agent Agreements;

(c) by official action of the Board of Education of the School District prior to or concurrently with the acceptance hereof, the Board of Education has duly adopted the School District Resolutions, has duly authorized and approved the execution and delivery of, and the performance by the School District of the obligations contained in, the School District Resolutions, the Fiscal Agent Agreements, the District Bonds, this Purchase Contract, and the School District Proceedings, and the consummation by it of all other transactions contemplated by the School District Resolutions, the School District Proceedings and the Fiscal Agent Agreements, including, without limitation, the application of annual installments of the special taxes which are to be levied within the Districts to be the source of and security for the payment of the principal of and interest on the District Bonds (the “Special Taxes”);

(d) the adoption of the School District Resolutions, the execution and delivery of this Purchase Contract, the Fiscal Agent Agreements and the District Bonds and the conduct of the School District Proceedings, and compliance with the provisions of each thereof, will not conflict with or constitute a breach of or a default under any applicable law or administrative regulation of the State of California or the United States of America, or any applicable judgment, decree, agreement or other instrument to which the School District or any of the Districts is a party or is otherwise subject;

(e) there is no action, suit, proceeding or investigation before or by any court, public board or body pending or, to the knowledge of the School District, threatened, wherein an unfavorable decision, ruling or finding would: (i) affect the creation, organization, existence or powers of the School District or the Districts or the titles of the Board of Education and the officers of the School District or the Districts to their respective offices, (ii) enjoin or restrain the issuance, sale and delivery of the District Bonds, the receipt of the Special Taxes, or the pledge thereof, (iii) in any way question or affect any of the rights, powers, duties or obligations of the School District or the Districts with respect to the moneys pledged or to be pledged to pay the principal of, premium, if any, or interest on the District Bonds, (iv) in any way question or affect any authority for the issuance of the District Bonds, or the validity or enforceability of the

District Bonds, the School District Resolutions, the Fiscal Agent Agreements or the School District Proceedings, or (v) in any way question or affect this Purchase Contract or the transactions contemplated by this Purchase Contract, the School District Resolutions, the Fiscal Agent Agreements or any other agreement or instrument to which the School District or any of the Districts is a party relating to the District Bonds;

(f) the School District has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the School District is a bond issuer whose arbitrage certifications may not be relied upon; and

(g) the School District will apply the proceeds of the District Bonds, including the investment thereof, in accordance with the School District Resolutions and the Fiscal Agent Agreements.

7. Delivery and Payment. At 8:00 a.m., P.S.T., on the Closing Date, or at such other time or on such other date as is mutually agreed by the School District and the Authority, the School District will deliver the District Bonds to the Authority in definitive form, duly executed, together with the other documents hereinafter mentioned, and, subject to the terms and conditions hereof, the Authority will accept such delivery and pay the purchase prices for the District Bonds as referenced in paragraph 1 hereof by wire transfer or other funds which are good funds and immediately available on the Closing Date payable to the Fiscal Agent under the Fiscal Agent Agreements for deposit as provided in the Fiscal Agent Agreements. Delivery and payment, as aforesaid, shall be made at such place as shall have been mutually agreed upon by the School District and the Authority.

8. Closing Documents. The Authority has entered into this Purchase Contract in reliance upon the representations, warranties and agreements of the School District contained herein and to be contained in the documents and instruments to be delivered on the Closing Date, and upon the performance by the School District of its obligations hereunder, both as of the date hereof and as of the Closing Date. Accordingly, the Authority's obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the District Bonds shall be subject to the performance by the School District of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing Date, and shall also be subject to the purchase of the Authority Bonds by Stifel, Nicolaus & Company, Incorporated (the "Underwriter") on the Closing Date, and the following conditions:

(a) On or prior to the Closing Date, the Authority shall have received each of the following documents:

(1) an opinion, dated as of the Closing Date, of bond counsel to the School District approving the validity of the District Bonds;

(2) a supplemental opinion, dated the Closing Date and addressed to the Authority, of bond counsel to the School District to the effect that (i) this Purchase Contract has been duly authorized, executed and delivered by the School District, on behalf of the District, and, assuming due authorization, execution and delivery by the Authority, constitutes a legal, valid and binding agreement of the

School District enforceable in accordance with its terms, except as such enforceability may be limited by the application of equitable principles if equitable remedies are sought; and (ii) the District Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Fiscal Agent Agreements are exempt from qualification under the Trust Indenture Act of 1939, as amended; and

(3) such additional legal opinions, certificates, instruments and documents as are required of the School District under the bond purchase agreement for the Authority Bonds, by and among the Authority, the Underwriter and the School District.

(b) In addition to the foregoing, the School District shall on the Closing Date provide to the Authority copies of the School District Proceedings, the School District Resolutions and the Fiscal Agent Agreements, certified by an authorized officer of the School District as true copies and as having been adopted or executed (as applicable), with only such amendments, modifications or supplements thereto as may have been agreed to by the Authority.

All of the opinions, certificates, instruments and other documents mentioned above or elsewhere in this Purchase Contract shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Treasurer of the Authority, provided that such approval of the Treasurer shall not be unreasonably withheld. Receipt of, and payment for, the District Bonds shall constitute evidence that the form and content of all such opinions, certificates, instruments and other documents are satisfactory to the Authority. The performance of any and all obligations of the School District hereunder and the performance of any and all conditions contained herein for the benefit of the Authority may be waived by the Treasurer of the Authority in his sole discretion.

If the School District shall be unable to satisfy the conditions to the obligations of the Authority to purchase, accept delivery of and pay for the District Bonds contained in this Purchase Contract, or if the obligations of the Authority to purchase, accept delivery of and pay for the District Bonds shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate, and neither the Authority nor the School District shall be under further obligation hereunder, except that the respective obligations of the School District and the Authority set forth in paragraph 10 hereof shall continue in full force and effect.

9. Compliance with Bond Law. The Authority and the School District hereby confirm that the purchase of the District Bonds by the Authority hereunder will not violate any of the restrictions set forth in Section 6591(g) or Section 6592.5 of the Bond Law.

10. General. This Purchase Contract is made solely for the benefit of the School District and the Authority (including their successors and assigns), and no other person shall acquire or have any right hereunder or by virtue hereof. All of the School District's representations, warranties and agreements contained in this Purchase Contract shall remain operative and in full force and effect regardless of (i) any investigations made by or on behalf of the Authority or (ii) delivery of and payment for the District Bonds pursuant to this Purchase

Contract. The agreements contained in this paragraph shall survive any termination of this Purchase Contract.

11. Counterparts. This Purchase Contract may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

12. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof.

IN WITNESS WHEREOF, the Authority and the School District have each caused this Purchase Contract to be executed by their duly authorized officers all as of the date first above written.

RIVERSIDE UNIFIED SCHOOL DISTRICT

By: _____
Authorized Signatory

RIVERSIDE UNIFIED SCHOOL DISTRICT
FINANCING AUTHORITY

By: _____
Authorized Signatory

EXHIBIT A

<u>Issue of District Bonds</u>	<u>Purchase Price</u>
District Bonds of Community Facilities District No. 10	\$ _____
District Bonds of Community Facilities District No. 13 (Improvement Area No. 1)	_____
District Bonds of Community Facilities District No. 14	_____
District Bonds of Community Facilities District No. 15 (Improvement Area No. 2)	_____
District Bonds of Community Facilities District No. 17	_____
District Bonds of Community Facilities District No. 18	_____
District Bonds of Community Facilities District No. 21 (Improvement Area No. 2)	_____
District Bonds of Community Facilities District No. 22	_____
District Bonds of Community Facilities District No. 24	_____
Total Purchase Price:	\$ _____

BOND PURCHASE AGREEMENT

**[\$[PRINCIPAL AMOUNT]]
RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY
2015 SPECIAL TAX REVENUE REFUNDING BONDS**

[Pricing Date], 2015

Riverside Unified School District Financing Authority
3380 14th Street
Riverside, CA 92501

Ladies and Gentlemen:

Stifel, Nicolaus & Company, Incorporated (the “Underwriter”), acting not as a fiduciary or agent for you, but on behalf of itself, offers to enter into this Bond Purchase Agreement (this “Purchase Agreement”) with the Riverside Unified School District Financing Authority (the “Authority”) which will be binding upon the Authority and the Underwriter upon the acceptance hereof by the Authority. This offer is made subject to its acceptance by the Authority by execution of this Purchase Agreement and its delivery to the Underwriter on or before 8:00 p.m., California time, on the date hereof and, if not so accepted, will be subject to withdrawal by the Underwriter upon written notice delivered to the Authority at any time prior to the acceptance hereof by the Authority. All terms used herein and not otherwise defined shall have the respective meanings given to such terms in the Indenture (as hereinafter defined).

Section 1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, warranties and agreements hereinafter set forth, the Underwriter hereby agrees to purchase from the Authority for offering to the public, and the Authority hereby agrees to sell to the Underwriter for such purpose, all (but not less than all) of the above-captioned bonds (the “Bonds”). The purchase price for the Bonds shall be \$_____ (being the aggregate principal amount thereof (\$[Principal Amount]), less an underwriter’s discount of \$_____, and plus a net original issue premium of \$_____).

Section 2. Description of the Bonds. The Bonds shall be issued pursuant to an Indenture of Trust (the “Indenture”), dated as of [Closing Month] 1, 2015, by and between the Authority and U.S. Bank National Association, as trustee (the “Trustee”), and pursuant to the Marks-Roos Local Bond Pooling Act (the “Bond Law”) and a resolution of the Authority, adopted on [Board Date], 2015 (the “Bond Resolution”). The Bonds shall be as described in the Indenture and the Official Statement, dated the date hereof, relating to the Bonds (which, together with all exhibits and appendices included therein or attached thereto and such amendments or supplements thereto which shall be approved by the Underwriter, is referred to in this Purchase Agreement as the “Official Statement”).

The proceeds of the Bonds shall be applied by the Authority to finance the purchase of the following issues of Bonds (the “District Bonds”):

(a) \$_____ initial principal amount of Community Facilities District No. 10 of Riverside Unified School District 2015 Special Tax Refunding Bonds (the “CFD No. 10 Bonds”) being issued by the School District on behalf of Community Facilities District No. 10 (“CFD No. 10”)

to refund the outstanding [\$1,510,000] Community Facilities District No. 10 of Riverside Unified School District 2005 Special Tax Bonds, Series A (the “Prior CFD No. 10 Bonds”).

(b) \$_____ initial principal amount of Community Facilities District No. 13 of Riverside Unified School District 2015 Special Tax Refunding Bonds (Improvement Area No. 1) (the “CFD No. 13-1 Bonds”) being issued by the School District on behalf of Community Facilities District No. 13 (“CFD No. 13”) to refund the outstanding [\$8,000,000] Community Facilities District No. 13 of Riverside Unified School District 2005 Special Tax Bonds (Improvement Area No. 1) (the “Prior CFD No. 13-1 Bonds”).

(c) \$_____ initial principal amount of Community Facilities District No. 14 of Riverside Unified School District 2015 Special Tax Refunding Bonds (the “CFD No. 14 Bonds”) being issued by the School District on behalf of Community Facilities District No. 14 (“CFD No. 14”) to refund the outstanding [\$6,560,000] Community Facilities District No. 14 of Riverside Unified School District 2005 Special Tax Bonds, Series A (the “Prior CFD No. 14 Bonds”).

(d) \$_____ initial principal amount of Community Facilities District No. 15 (Mission Ranch) of Riverside Unified School District 2015 Special Tax Refunding Bonds (Improvement Area No. 2) (the “CFD No. 15-2 Bonds”) being issued by the School District on behalf of Community Facilities District No. 15 (“CFD No. 15”) to refund the outstanding [\$20,155,000] Community Facilities District No. 15 (Mission Ranch) of Riverside Unified School District 2005 Special Tax Bonds, Series A (Improvement Area No. 2) (the “Prior CFD No. 15-2 Bonds”).

(e) \$_____ initial principal amount of Community Facilities District No. 17 (Aldea Village) of Riverside Unified School District 2015 Special Tax Refunding Bonds (the “CFD No. 17 Bonds”) being issued by the School District on behalf of Community Facilities District No. 17 (Aldea Village) (“CFD No. 17”) to refund the outstanding [\$2,910,000] Community Facilities District No. 17 (Aldea Village) of Riverside Unified School District 2005 Special Tax Bonds (the “Prior CFD No. 17 Bonds”).

(f) \$_____ initial principal amount of Community Facilities District No. 18 of Riverside Unified School District 2015 Special Tax Refunding Bonds (the “CFD No. 18 Bonds”) being issued by the School District on behalf of Community Facilities District No. 18 (“CFD No. 18”) to refund the outstanding [\$3,090,000] Community Facilities District No. 18 of Riverside Unified School District 2005 Special Tax Bonds (the “Prior CFD No. 18 Bonds”).

(g) \$_____ initial principal amount of Community Facilities District No. 21 of Riverside Unified School District 2015 Special Tax Refunding Bonds (Improvement Area No. 2) (the “CFD No. 21-2 Bonds”) being issued by the School District on behalf of Community Facilities District No. 21 (“CFD No. 21”) to refund the outstanding [\$3,305,000] Community Facilities District No. 21 of Riverside Unified School District 2007 Special Tax Bonds, Series A (Improvement Area No. 2) (the “Prior CFD No. 21-2 Bonds”).

(h) \$_____ initial principal amount of Community Facilities District No. 22 of Riverside Unified School District 2015 Special Tax Refunding Bonds (the “CFD No. 22 Bonds”) being issued by the School District on behalf of Community Facilities District No. 22 (“CFD No. 22”) to refund the outstanding [\$5,710,000] Community Facilities District No. 22 of Riverside Unified School District 2006 Special Tax Bonds (the “Prior CFD No. 22 Bonds”).

(i) \$_____ initial principal amount of Community Facilities District No. 24 of Riverside Unified School District 2015 Special Tax Refunding Bonds (the “CFD No. 24 Bonds”) being issued by the School District on behalf of Community Facilities District No. 24 (“CFD No. 24”) to refund the outstanding [\$5,985,000] Community Facilities District No. 24 of Riverside Unified School District 2006 Special Tax Bonds (the “Prior CFD No. 24 Bonds”).

Improvement Area 1 of CFD No. 13, Improvement Area 2 of CFD No. 15 and Improvement Area 2 of CFD No. 21 are referred to collectively as the “Improvement Areas.” CFD No. 10, CFD No. 14, CFD No. 17, CFD No. 18, CFD No. 22, CFD No. 24, Improvement Area No. 1 of CFD No. 13, Improvement Area No. 2 of CFD No. 15 and Improvement Area 2 of CFD No. 21 are collectively referred to as the “Taxing Jurisdictions.”

The CFD No. 10 Bonds, the CFD No. 13-1 Bonds, the CFD No. 14 Bonds, the CFD No. 15-2 Bonds, the CFD No. 17 Bonds, the CFD No. 18 Bonds, the CFD No. 21-2 Bonds, the CFD No. 22 Bonds and the CFD No. 24 Bonds are collectively referred to as the “District Bonds.”

The Prior CFD No. 10 Bonds, the Prior CFD No. 13-1 Bonds, the Prior CFD No. 14 Bonds, the Prior CFD No. 15-2 Bonds, the Prior CFD No. 17 Bonds, Prior CFD No. 18 Bonds, the Prior CFD No. 21-2 Bonds, the Prior CFD No. 22 Bonds and the Prior CFD No. 24 Bonds are collectively referred to as the “Prior Bonds.”

The District Bonds will be purchased by the Authority in accordance with a Bond Purchase Contract, dated the date hereof (the “District Bonds Bond Purchase Agreement”), by and between the Authority and the School District, on behalf of the applicable Taxing Jurisdictions.

Proceeds of the District Bonds will be used to fund a debt service reserve fund for the Bonds, pay the costs of issuing the Bonds and the District Bonds and refund the Prior Bonds in accordance with nine separate Escrow Agreements, each dated as of [Closing Month] 1, 2015 (the “Escrow Agreements”), by and between the School District and U.S. Bank National Association, as escrow agent (the “Escrow Agent”).

Section 3. Public Offering. The Underwriter agrees to make a bona fide public offering of all the Bonds initially at the public offering prices (or yields) set forth on Appendix A attached hereto and incorporated herein by reference. The Bonds will be subject to mandatory sinking fund redemption as set forth on Appendix A. Subsequent to the initial public offering, the Underwriter reserves the right to change the 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 set forth on Appendix A. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices. The Underwriter reserves the right to: (i) over-allot or effect transactions which stabilize or maintain the market price of the Bonds at levels above those that might otherwise prevail in the open market; and (ii) discontinue such stabilizing, if commenced, at any time without prior notice.

Section 4. Delivery of Official Statement. The Authority has delivered or caused to be delivered to the Underwriter prior to the execution of this Purchase Agreement or the first offering of the Bonds, whichever first occurs, copies of the Preliminary Official Statement relating to the Bonds (the “Preliminary Official Statement”). Such Preliminary Official Statement is the official statement deemed final by the Authority for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934 (the “Rule”) and approved for distribution by resolution of the Authority. The Authority previously

executed and delivered to the Underwriter a certification to such effect in the form attached hereto as Appendix B. . The Preliminary Official Statement and/or the Official Statement may be delivered in printed and/or electronic form to the extent permitted by applicable rules of the Municipal Securities Rulemaking Board (“MSRB”) and as may be agreed to by the Authority and the Underwriter. The Authority confirms that it does not object to distribution of the Preliminary Official Statement or the Official Statement in electronic form. A copy of the most recent Preliminary Official Statement sent to a potential purchaser shall be sent by first-class mail or electronically (or other equally prompt means) not later than the first business day following the day upon which each such request is received.

The Authority agrees to deliver to the Underwriter as many copies of the Official Statement dated the date hereof relating to the Bonds (as supplemented and amended from time to time, the “Final Official Statement”) as the Underwriter shall reasonably request as necessary to comply the Rule. The Authority agrees to deliver such Final Official Statements within seven (7) business days after the execution hereof, or such earlier date identified by the Underwriter to be necessary to allow the Underwriter to meet its obligations under the Rule and Rule G-32 of the MSRB. The Underwriter agrees to file the Final Official Statement with the MSRB on or as soon as practicable after the Closing Date (defined below). The Underwriter agrees to deliver a copy of the Final Official Statement to each of its customers purchasing Bonds no later than the settlement date of the transaction.

The Authority will undertake, pursuant to the Indenture and a continuing disclosure agreement (the “Continuing Disclosure Agreement”), to provide certain annual financial information and notices of the occurrence of certain events, if material. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Final Official Statement.

Section 5. The Closing. The Closing (as defined below) shall take place at 8:00 a.m., California time, on [Closing Date], 2015, or at such other time or on such earlier or later business day as shall have been mutually agreed upon by the Authority, the School District and the Underwriter. At the Closing, the Authority will deliver (i) the Bonds in definitive form to the Underwriter at The Depository Trust Company (“DTC”) and shall be delivered through the facilities of DTC on the Closing Date, with CUSIP identification numbers printed thereon, in fully registered form and registered in the name of Cede & Co., and (ii) the closing documents hereinafter mentioned at the offices of Best Best & Krieger LLP, Riverside, California (“Bond Counsel”), or another place to be mutually agreed upon by the Authority, the School District and the Underwriter. The Underwriter will accept such delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof by federal funds wire payable to the order of the Trustee on behalf of the Authority. This payment and delivery, together with the delivery of the aforementioned documents, is herein called the “Closing.” The Bonds will be delivered in such denominations and deposited in the account or accounts specified by the Underwriter pursuant to written notice not later than five business days prior to Closing. The Bonds will be made available to DTC not less than 24 hours prior to the Closing.

Section 6. Representations, Warranties and Covenants. The Authority represents, warrants and covenants to the Underwriter that:

(a) Due Organization, Existence and Authority. The Authority is a joint powers authority duly organized and existing under the laws of the State of California, with full right, power and authority to execute, deliver and perform its obligations under this Purchase Agreement, the Indenture, the Continuing Disclosure Agreement and the District Bonds Bond Purchase Agreement (together, the “Authority Documents”) and to carry out and consummate the transactions contemplated by the Authority Documents and the Official Statement.

(b) Due Authorization and Approval. By all necessary official action of the Authority, including but not limited to the Bond Resolution, the Authority has duly authorized and approved the execution and delivery of, and the performance by the Authority of the obligations contained in, the Authority Documents and has approved the use by the Underwriter of the Preliminary Official Statement and the execution and delivery of the Official Statement and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded. When executed and delivered, the Bonds and the Authority Documents will constitute the legally valid and binding obligations of the Authority, enforceable against the Authority in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally. The Authority has complied, and will at the Closing be in compliance in all respects, with the terms of the Authority Documents.

(c) Official Statement Accurate and Complete. The Preliminary Official Statement was as of its date, and the Final Official Statement is, and at all times subsequent to the date of the Final Official Statement up to and including the Closing will be, true and correct in all material respects, and the Preliminary Official Statement and the Final Official Statement contain, and up to and including the Closing will contain, no misstatement of any material fact and do not, and up to and including the Closing will not, omit any statement necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading; *provided, however,* no representation is made with respect to information therein relating to DTC and its book-entry only system.

(d) Underwriter's Consent to Amendments and Supplements to Official Statement. The Authority will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Underwriter, which consent will not be unreasonably withheld. The Authority will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental authority prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds.

(e) No Breach or Default. As of the time of acceptance hereof and as of the time of the Closing, except as otherwise disclosed in the Official Statement, the Authority is not and will not be in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State of California or the United States of America, or any applicable judgment or decree or any indenture, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Authority is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument; and, as of such times, except as disclosed in the Official Statement, the authorization, execution and delivery of the Bonds and the Authority Documents and compliance by the Authority with the provisions of each of such agreements or instruments do not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State of California or the United States of America, or any applicable judgment, decree, license, permit, indenture, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Authority (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or

properties or under the terms of any such law, regulation or instrument, except as may be provided by the Authority Documents.

(f) No Litigation. As of the time of acceptance hereof and the Closing, except as disclosed in the Official Statement, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government authority, public board or body, is or will be pending or threatened (i) in any way questioning the corporate existence of the Authority or the titles of the officers of the Authority to their respective offices; (ii) affecting, contesting or seeking to prohibit, restrain or enjoin the issuance or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity of the Bonds or the Authority Documents or the consummation of the transactions contemplated thereby, or contesting the exclusion of the interest on the Bonds from federal or State income taxation or contesting the powers of the Authority and its authority to pledge the revenues securing the Bonds; (iii) which may result in any material adverse change relating to the Authority; or (iv) contesting the completeness or accuracy of the Preliminary Official Statement or the Final Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Final Official Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading and as of the time of acceptance hereof and as of the Closing Date, to the knowledge of the officer of the Authority executing this Purchase Agreement, there is no basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (i) through (iv) of this sentence.

(g) Changes in Disclosure. If, at any time prior to the date twenty-five (25) days following the later of the Closing or the date the Underwriter no longer retains, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public, which date, if other than the date of the Closing, shall be provided to the Authority by written notice of the Underwriter (the “End of the Underwriting Period”), any event of which the Authority has knowledge shall occur which might or would cause the Final Official Statement to contain an untrue statement of a material fact or to omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Authority will 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 opinion of the Underwriter, the Authority or their respective counsel, to amend or supplement the Final Official Statement (at the expense of the Authority) in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Authority will forthwith cooperate with the Underwriter in the prompt preparation and furnishing to the Underwriter of a reasonable number of copies of an amendment or a supplement to the Final Official Statement, in form and substance reasonably satisfactory to the Underwriter, which will so amend or supplement the Final Official Statement so that, as amended or supplemented, it will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If any such amendment or supplement of the Official Statement shall occur after the Closing Date, the Authority also shall furnish, or cause to be furnished, such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of any such amendment or supplement to the Official Statement.

(h) Relationship to Underwriter. The Authority acknowledges and agrees that: (i) the purchase and sale of the Bonds pursuant to this Purchase Agreement is an arm’s length, commercial

transaction between the Authority and the Underwriter, (ii) in connection with such transaction, the Underwriter is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Authority; (iii) the Underwriter has not assumed any advisory or fiduciary responsibility to the Authority with respect to the transaction contemplated hereby and the discussions, undertakings and proceedings leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the Authority on other matters) or any other obligation to the Authority except the obligations expressly set forth in this Purchase Agreement and (iv) the Authority has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate in connection with the transaction contemplated herein.

(i) District Bonds Bond Purchase Agreement. The Underwriter may rely on the closing certificates delivered to the Authority pursuant to the District Bonds Bond Purchase Agreement as if they had been addressed and delivered to the Underwriter.

(j) Historical Continuing Disclosure Compliance. Based on review of previous undertakings by the Authority, the School District and related entities and except as disclosed in the Preliminary Official Statement and the Final Official Statement, the Authority, the School District and related entities have not failed in any material respect to comply with any undertaking under the Rule in the previous five years.

(k) Cooperation. The Authority covenants with the Underwriter that the Authority will cooperate with the Underwriter (at the cost and written directions of the Underwriter), in qualifying the Bonds for offer and sale under the securities or “Blue Sky” laws of such jurisdictions of the United States of America as the Underwriter may reasonably request; *provided, however*, that the Authority shall not be required to consent to suit or to service of process, or to qualify to do business, in any jurisdiction. The Authority consents to the use by the Underwriter of the Authority Documents, the Preliminary Official Statement and the Final Official Statement in the course of its compliance with the securities or “Blue Sky” laws of the various jurisdictions related to the offering and sale of the Bonds.

(l) Compliance with Internal Revenue Code. The Authority has covenanted to comply with the Internal Revenue Code of 1986, as amended, with respect to the Bonds; and the Authority shall not knowingly take or omit to take any action that, under existing law, may adversely affect the exclusion from gross income for federal income tax purposes, or the exemption from any applicable State tax, of the interest on the Bonds.

(m) Public Debt. Except as disclosed in the Official Statement, to the knowledge of the officer of the Authority executing this Purchase Agreement and without investigation of any kind, no other public debt secured by an ad valorem tax, a special tax or a benefit assessment levied by the Authority, the School District or the Taxing Jurisdictions on the land in the applicable Taxing Jurisdictions is in the process of being authorized by the Authority, the School District or a Taxing Jurisdiction and no ad valorem tax, assessment districts or community facilities districts have been or are in the process of being formed by the Authority or the School District which include any portion of the land within the Taxing Jurisdictions. All outstanding debt secured by special taxes, benefit assessment or ad valorem levies for general obligation bonds of the School District and all authorized but unissued debt secured by special taxes, benefit assessment or ad valorem levies for general obligation bonds of the School District, or the School District, on behalf of a Taxing Jurisdiction,

which is applicable to the property within the Taxing Jurisdictions is accurately described in the Official Statement.

(n) Certification. Any certificate signed by an authorized officer of the Authority and delivered to the Underwriter in connection with the issuance and sale of the Bonds shall be deemed a representation and warranty by the Authority to the Underwriter as to the statements made therein.

Section 7. Closing Conditions. The Underwriter has entered into this Purchase Agreement in reliance upon the representations, warranties and covenants herein and the performance by the Authority of its obligations hereunder, both as of the date hereof and as of the date of the Closing. The Underwriter's obligations under this Purchase Agreement to purchase and pay for the Bonds shall be subject to the following additional conditions:

(a) Bring-Down Representation. The representations, warranties and covenants of the Authority contained herein shall be true, complete and correct at the date hereof and at the time of the Closing, as if made on the date of the Closing.

(b) Executed Agreements and Performance Thereunder. At the time of the Closing (i) the Authority Documents and the School District Documents (defined below) shall be in full force and effect, and shall not have been amended, modified or supplemented except with the written consent of the Underwriter and (ii) there shall be in full force and effect such resolutions as, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated by the Official Statement, the Authority Documents and the School District Documents.

(c) Issuance and Purchase of District Bonds. Concurrent with the issuance of the Bonds and the purchase thereof by the Underwriter in accordance with this Purchase Agreement, the School District shall have issued the District Bonds on behalf of and for the Taxing Jurisdictions, and the District Bonds shall have been delivered to the Authority under and in accordance with the District Bonds Bond Purchase Agreement, and all conditions set forth in the District Bonds Bond Purchase Agreement to the issuance and delivery of the District Bonds shall have been satisfied.

(d) Closing Documents. At or prior to the Closing, the Underwriter shall receive each of the documents (which may be in electronic form) identified in Section 8.

Section 8. Closing Documents. In addition to the other conditions to the Underwriter's obligations under this Purchase Agreement to purchase and pay for the Bonds at or before the Closing, the Underwriter shall receive each of the following documents, provided that the actual payment for the Bonds by the Underwriter and the acceptance of delivery thereof shall be conclusive evidence that the requirements of this Section 8 shall have been satisfied or waived by the Underwriter.

(a) Bond Opinion. An approving opinion of Bond Counsel dated the date of the Closing and substantially in the form appended to the Official Statement, together with a letter from such counsel, dated the date of the Closing and addressed to the Underwriter, to the effect that the foregoing opinion addressed to the Authority may be relied upon by the Underwriter to the same extent as if such opinion were addressed to it.

(b) Supplemental Opinion. A supplemental opinion or opinions of Bond Counsel addressed to the Underwriter, in form and substance acceptable to the Underwriter, and dated the date of the Closing substantially to the following effect:

(i) This Purchase Agreement has been duly authorized, executed and delivered by the Authority and constitutes the valid, legal and binding agreement of the Authority, enforceable in accordance with its terms.

(ii) The statements contained in the Official Statement under the captions “THE BONDS,” “SECURITY FOR THE BONDS,” “SECURITY FOR THE DISTRICT BONDS,” and “LEGAL MATTERS,” and in Appendices B and E, insofar as such statements expressly summarize certain provisions of the Bonds, the Indenture, the Fiscal Agent Agreements (as defined below), the Escrow Agreements and the opinion of such firm concerning the exclusion from gross income for federal income tax purposes and exemption from State of California personal income taxes of interest on the Bonds, are accurate in all material respects.

(iii) The Bonds and the District Bonds are exempt from registration under the Securities Act of 1933, as amended, and the Indenture and the Fiscal Agent Agreements are exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

(c) Authority Counsel Opinion. An opinion of Counsel to the Authority, dated the date of the Closing and addressed to the Underwriter, in form and substance acceptable to Bond Counsel substantially to the following effect:

(i) The Authority is a joint powers authority duly organized and validly existing under the laws of the State of California with full legal right, power and authority to issue the Bonds and to perform all of its obligations under the Bonds and the Authority Documents.

(ii) The Bond Resolution has been duly adopted, is in full force and effect and has not been modified, amended or rescinded.

(iii) The Authority Documents have been duly authorized, executed and delivered by the Authority and constitute the legal, valid and binding obligation of the Authority enforceable in accordance with their 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.

(iv) The Official Statement has been duly executed on behalf of the Authority by an authorized officer of the Authority and the distribution of the Preliminary Official Statement and the Official Statement have been duly authorized by the Authority.

(v) Except as otherwise disclosed in the Official Statement and to the current actual knowledge of such counsel after due inquiry, there is no litigation, proceeding, action, suit or investigation at law or in equity before or by any court, governmental authority or body, pending or threatened against the Authority, challenging the creation, organization or existence of the Authority, or the validity of the Authority Documents or seeking to restrain or enjoin the repayment of the Bonds or in any way contesting or contesting the authority of the Authority to enter into or perform its obligations under any of the Authority Documents, or under which a determination adverse to the Authority would have a material adverse effect upon the financial condition or the revenues of the Authority, or which, in any manner, questions the right of the Authority to pledge the Revenues to the payment of the Bonds.

(d) U.S. Bank National Association Counsel Opinion(s). The opinion or opinions of counsel to U.S. Bank National Association (the ‘Bank’), with respect to its role as Trustee and Escrow Agent, dated the date of the Closing, addressed to the Underwriter, to the effect that:

(i) The Bank 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 administer the trust created under the Indenture and the Escrow Agreements.

(ii) The Indenture and the Escrow Agreements have been duly authorized, executed and delivered by the Bank and constitute the legal, valid and binding obligations of the Bank enforceable in accordance with their respective 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.

(iii) The Bonds have been validly authenticated and delivered by the Bank pursuant to the Authority Indenture.

(e) Authority Certificate. A certificate of the Authority, dated the date of the Closing, signed on behalf of the Authority by the Executive Director, Treasurer or other duly authorized officer of the Authority to the effect that:

(i) The representations, warranties and covenants of the Authority contained herein are true and correct in all material respects on and as of the date of the Closing as if made on the date of the Closing; and the Authority has complied with all of the terms and conditions of this Purchase Agreement required to be complied with by the Authority at or prior to the date of the Closing.

(ii) No event affecting the Authority has occurred since the date of the Official Statement which has not been disclosed therein or in any supplement or amendment thereto which event should be disclosed in the Official Statement in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(f) Bank’s Certificate. A certificate of the Bank, dated the date of Closing, in form and substance acceptable to counsel for the Underwriter, to the following effect:

(i) The Bank is duly organized and existing as a national banking association in good standing under the laws of the United States of America, having the full power and authority to enter into and perform its duties under the Indenture and the Escrow Agreements.

(ii) The Bank is duly authorized to enter into the Indenture and the Escrow Agreements.

(iii) The Bonds have been validly authenticated and delivered by the Bank pursuant to the Indenture and the Fiscal Agent Agreements, as applicable.

(iv) To its best knowledge after due inquiry, there is no action, suit, proceeding or investigation, at law or in equity, before or by any court or governmental agency, public board or body pending against the Bank or threatened against the Bank which in the reasonable judgment of the Bank would affect the existence of the Bank or in any way contesting or affecting the validity or enforceability of the Indenture or the Escrow Agreements or contesting the powers of the

Bank or its authority to enter into and perform its obligation under the Indenture and the Escrow Agreements.

(g) Disclosure Counsel Opinion. An opinion, dated the Closing Date and addressed to the Authority and the Underwriter, of Stradling, Yocca Carlson & Rauth, P.C., Disclosure Counsel to the Authority, to the effect that without having undertaken to determine independently the accuracy or completeness of the statements contained in the Official Statement, but on the basis of their participation in conferences with representatives of the Authority, the School District, Bond Counsel, representatives of the Underwriter, and others, and their examination of certain documents, nothing has come to their attention which has led them to believe that the Official Statement, as of its date and as of the Closing Date, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except that no opinion or belief need be expressed as to any financial statements or other financial, statistical or engineering data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion, any information about valuation, appraisals, absorption, archeological or environmental matters or any information about DTC or the book-entry-only system).

(h) Original Executed Documents. An original executed copy of each of the Authority Documents, the School District Documents, the Authority Resolution, the School District Resolution and the Official Statement.

(i) Certificate of Special Tax Consultant. A certificate in form and substance as set forth in Appendix C hereto, of David Taussig & Associates, Inc., Newport Beach, California (“Special Tax Consultant”), dated as of the Closing Date.

(j) Escrow Verification. An escrow verification report of [Verification Agent] (the “Verification Agent”) with respect to the refunding of the Prior Bonds.

(k) Historical Continuing Disclosure Compliance. One or more certificates of a dissemination agent(s) to the School District, in substantially the form of Appendix D.

(l) Bond Counsel Opinions Related to the District Bonds. A letter from Bond Counsel, dated the date of the Closing and addressed to the Underwriter, to the effect that the final opinion required by Section 8(a)(1) of the District Bonds Bond Purchase Agreement and the supplemental opinion required by Section 8(a)(2) of the District Bonds Bond Purchase Agreement may be relied upon by the Underwriter to the same extent as if such opinion were addressed to it.

(m) Bond Counsel Defeasance Opinions. Opinions, each dated the Closing Date and addressed to the Authority, the District, the Underwriter and the Fiscal Agent, of Bond Counsel, in the form required by the applicable bond indenture or fiscal agent agreement relating to the outstanding bonds issued with respect to each Taxing Jurisdiction which are refunded through issuance of the Bonds and the District Bonds.

(n) School District Counsel Opinion. An opinion of Counsel to the School District, dated the date of the Closing and addressed to the Underwriter, in form and substance acceptable to Bond Counsel substantially to the following effect:

(i) The School District is a public agency duly organized and validly existing under the laws of the State of California.

(ii) The resolution of the Board of Education authorizing the issuance of the District Bonds and the execution and delivery of the fiscal agent agreements (the “Fiscal Agent Agreements”), pursuant to which the District Bonds are being issued, and the District Bonds Bond Purchase Agreement (the “School District Resolution”), has been duly adopted, is in full force and effect and has not been modified, amended or rescinded.

(iii) The Fiscal Agent Agreements, the Escrow Agreements and the District Bonds Bond Purchase Agreement (collectively, the “School District Documents”) have been duly authorized, executed and delivered by the School District and constitute the legal, valid and binding obligation of the School District enforceable in accordance with their 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.

(iv) Except as otherwise disclosed in the Official Statement and to the current actual knowledge of such counsel after due inquiry, there is no litigation, proceeding, action, suit or investigation at law or in equity before or by any court, governmental authority or body, pending or threatened against the School District, challenging the creation, organization or existence of the School District, or the validity of the District Bonds or the School District Documents or seeking to restrain or enjoin the repayment of the District Bonds or in any way contesting or contesting the authority of the School District to enter into or perform its obligations under the District Bonds or any of the School District Documents, or under which a determination adverse to the School District would have a material adverse effect upon the financial condition or the revenues of the School District, or which, in any manner, questions the right of the School District to pledge the Special Tax Revenues to the payment of the District Bonds.

(o) School District Closing Certificate. A certificate executed by an authorized representative of the School District in substantially the form and substance of Appendix E.

(p) Fiscal Agent Counsel Opinion. The opinion of counsel to the Fiscal Agent, dated the date of the Closing, addressed to the Underwriter, to the effect that:

(i) The Fiscal 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 administer the trust created under the Fiscal Agent Agreements.

(ii) The Fiscal Agent Agreements have been duly authorized, executed and delivered by the Fiscal Agent and constitute the legal, valid and binding obligations of the Fiscal Agent enforceable in accordance with their respective 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.

(iii) The District Bonds have been validly authenticated and delivered by the Bank pursuant to the Fiscal Agent Agreements.

(q) Fiscal Agent’s Certificate. A certificate of the Fiscal Agent, dated the date of Closing, in form and substance acceptable to counsel for the Underwriter, to the following effect:

(i) The Fiscal Agent is duly organized and existing as a national banking association in good standing under the laws of the United States of America, having the full power and authority to enter into and perform its duties under the Fiscal Agent Agreements.

(ii) The Fiscal Agent is duly authorized to enter into the Fiscal Agent Agreements.

(iii) The Bonds and the District Bonds have been validly authenticated and delivered by the Bank pursuant to the Indenture and the Fiscal Agent Agreements, as applicable.

(iv) To its best knowledge after due inquiry, there is no action, suit, proceeding or investigation, at law or in equity, before or by any court or governmental agency, public board or body pending against the Fiscal Agent or threatened against the Fiscal Agent which in the reasonable judgment of the Fiscal Agent would affect the existence of the Fiscal Agent or in any way contesting or affecting the validity or enforceability of the Fiscal Agent Agreements or contesting the powers of the Fiscal Agent or its authority to enter into and perform its obligation under the Fiscal Agent Agreements.

(r) Form 8038-G. Evidence that the federal tax information Form 8038-G has been prepared by Bond Counsel for filing.

(s) Nonarbitrage Certificate. A nonarbitrage certificate prepared by Bond Counsel and satisfactory to the Underwriter.

(t) Issue Price Certificate. The certification of the Underwriter regarding the prices at which the Bonds have been reoffered to the public, in substantially the form attached as Appendix F.

(u) Underwriter's Counsel Opinion. An opinion of McFarlin & Anderson LLP, counsel for the Underwriter, dated the date of the Closing, addressed to the Underwriter in form and substance acceptable to the Underwriter.

(v) Notice of Special Tax Lien. Evidence of recordation in the real property records of Riverside County of a notice of special tax lien for each Taxing Jurisdiction in the form required by the Mello-Roos Community Facilities Act of 1982, as amended (the "Act").

(w) CDIAC Statements. A copy of the filings with the California Debt and Investment Advisory Commission pursuant to the Government Code.

(x) Letter of Representations. A copy of the Blanket Issuer Letter of Representations to DTC relating to the Bonds signed by the Authority.

(y) Additional Documents. Such additional certificates, instruments and other documents as Bond Counsel, Underwriter's Counsel, the Authority or the Underwriter may reasonably deem necessary.

If the Authority shall be unable to satisfy the conditions contained in this Purchase Agreement, or if the obligations of the Underwriter shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and neither the Underwriter nor the Authority shall be under further obligation hereunder, except as further set forth in Section 10.

Section 9. Termination Events. The Underwriter shall have the right to terminate this Purchase Agreement, without liability therefor, by notification to the Authority if at any time between the date hereof and prior to the Closing:

(a) any event or circumstances shall occur which causes any statement contained in the Official Statement to be materially misleading or results in a failure of the Official Statement to state a material fact necessary to make the statements in the Official Statement, in the light of the circumstances under which they were made, not misleading and, in either such event, the Authority refuses to permit the Official Statement to be supplemented to supply such statement or information, or the effect of the Official Statement as so supplemented is to materially adversely affect the market price or the ability of the Underwriter to enforce contracts for the sale of the Bonds; or

(b) the marketability of the Bonds or the market price thereof or the ability of the Underwriter to enforce contracts for the sale of the Bonds in the opinion of the Underwriter, has been materially adversely affected by an amendment to the Constitution of the United States of America or by any legislation in or by the Congress of the United States of America or by the State, or the amendment of legislation pending as of the date of this Purchase Agreement in the Congress of the United States of America, or the recommendation to Congress or endorsement for passage (by press release, other form of notice or otherwise) of legislation by the President of the United States of America, any member of the President's Cabinet, the Treasury Department of the United States of America, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or the proposal for consideration of legislation by either such Committee or by any member thereof, or the presentment of legislation for consideration as an option by either such Committee, or by the staff of the Joint Committee on Taxation of the Congress of the United States of America, or the favorable reporting for passage of legislation to either House of the Congress of the United States of America by a Committee of such House to which such legislation has been referred for consideration, or any decision of any federal or State court or any ruling or regulation (final, temporary or proposed) or official statement on behalf of the United States Treasury Department, the Internal Revenue Service or other federal or State authority materially adversely affecting the federal or State tax status of the Authority, the School District or a Taxing Jurisdiction, or the interest on bonds or notes or obligations of the general character of the Bonds or the market price of the Bonds; or

(c) any legislation, ordinance, rule or regulation shall be introduced in, or be enacted by any governmental body, department or authority of the State, or a decision by any court of competent jurisdiction within the State or any court of the United States of America shall be rendered which, in the reasonable opinion of the Underwriter, materially adversely affects the market price of the Bonds; or

(d) legislation shall be enacted by the Congress of the United States of America, or shall have been favorably reported out of committee or be pending in committee, or shall have been recommended to the Congress for passage by the President of the United States or a member of the President's Cabinet or a decision by a court of the United States of America shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of, or that obligations of the general character of the Bonds, the Bonds, or the District Bonds, are not exempt from

registration under, any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect, or that the Indenture or the Fiscal Agent Agreements need to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect; or

(e) additional material restrictions not in force as of the date hereof, including minimum or maximum prices for trading having been fixed and in force, or maximum ranges for prices for securities having been required and in force shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange which restrictions materially adversely affect the Underwriter's ability to market the Bonds; or

(f) a material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred; or

(g) any new restriction on transactions in securities materially affecting the market for securities (including the imposition of any limitation or interest rates) or the extension of credit by, or a charge to the net capital requirements of credit by, or a charge to net capital requirements of, underwriters shall have been established by the New York Stock Exchange, the Securities and Exchange Commission, any other federal or State agency or the Congress of the United States of America, or by Executive Order; or

(h) a general suspension of trading in securities on the New York Stock Exchange or other major exchange or a general banking moratorium shall have been established by federal or State authorities; or

(i) the United States of America has become engaged in hostilities which have resulted in a declaration of war or a national emergency or there has occurred any other outbreak of hostilities or a national or international calamity or crisis, or there has occurred any escalation of existing hostilities, calamity or crisis, financial or otherwise, the effect of which on the financial markets of the United States of America being such as, in the reasonable opinion of the Underwriter, would affect materially and adversely the ability of the Underwriter to market the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds (it being agreed by the Underwriter that there is no outbreak, calamity or crisis of such character as of the date hereof); or

(j) except as disclosed in or contemplated by the Official Statement, any material adverse change in the affairs of the Authority, the School District or the Taxing Jurisdictions shall have occurred; or

(k) a decision by a court of the United States of America shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Bonds, including the District Bonds as contemplated by this Purchase Agreement or by the Official Statement, or any document relating to the issuance, offering or sale of the Bonds, is or would be in violation of any provision of the federal securities laws at the Closing Date, including the Securities Act, the Exchange Act and the Trust Indenture Act; or

(l) the commencement of any action, suit or proceeding described in Section 6(f)(i) or 6(g)(ii) with respect to either the Authority or the School District which, in the judgment of the Underwriter, materially adversely affects the market price of the Bonds; or

(m) there shall be in force a general suspension of trading on the New York Stock Exchange.

Section 10. Expenses. The Underwriter shall be under no obligation to pay and the Authority shall pay or cause to be paid the expenses incident to the performance of the obligations of the Authority and the School District hereunder including but not limited to (a) the costs of the preparation and printing, or other reproduction (for distribution on or prior to the date hereof) of the Authority Documents and the School District Documents and the cost of preparing, printing, issuing and delivering the definitive Bonds and District Bonds, (b) the fees and disbursements of the Trustee, the Fiscal Agent, the Special Tax Consultant, the Verification Agent, any counsel, financial advisors, accountants or other experts or consultants retained by the Authority or the School District; (c) the fees and disbursements of Bond Counsel and of Disclosure Counsel; and (d) the cost of preparation, printing and mailing of the Preliminary Official Statement and the Official Statement and any supplements and amendments thereto and the cost of printing of the Official Statement, including the requisite number of copies thereof for distribution by the Underwriter.

The Underwriter shall pay and the Authority shall be under no obligation to pay all expenses incurred by it in connection with the public offering and distribution of the Bonds, including but not limited to (a) reporting fees chargeable by the California Debt and Investment Advisory Commission, (b) the Underwriter Counsel's fee, and (c) CUSIP Service Bureau fees.

Section 11. Notice. Any notice or other communication to be given to the Authority under this Purchase Agreement may be given by delivering the same in writing to such entity at the address set forth above. Any notice or other communication to be given to the Underwriter under this Purchase Agreement may be given by delivering the same in writing to: Stifel, Nicolaus & Company, Incorporated, Municipal Research Department, One Montgomery Street, Suite 3700, San Francisco, California 94111.

Notices may be given by personal or courier delivery, registered or certified mail, facsimile transmission or electronic communication, provided that delivery by facsimile transmission or electronic communication must be confirmed by the sender.

Section 12. Entire Agreement. This Purchase Agreement, when accepted by the Authority, shall constitute the entire agreement between the Authority and the Underwriter and is made solely for the benefit of the Authority and the Underwriter (including the successors or assigns of any Underwriter). No other person shall acquire or have any right hereunder by virtue hereof, except as provided herein. The term "successor" shall not include any owner of any Bonds merely by virtue of such holding. All the Authority's representations, warranties and agreements in this Purchase Agreement shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Underwriter, or (ii) delivery of any payment for the Bonds pursuant to this Purchase Agreement. The agreements contained in this Section and in Section 13 shall survive any termination of this Purchase Agreement.

Section 13. Survival of Representations and Warranties. All representations and warranties of the parties made in, pursuant to or in connection with this Purchase Agreement shall survive the execution and delivery of this Purchase Agreement notwithstanding any investigation by the parties. All statements contained in any certificate, instrument or other writing delivered by a party to this Purchase Agreement or in connection with the transactions contemplated by this Purchase Agreement constitute representations and warranties by such party under this Purchase Agreement.

Section 14. Counterparts. This Purchase Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

Section 15. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof.

Section 16. Governing Law. The validity, interpretation and performance of this Purchase Agreement shall be governed by the laws of the State of California.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK; EXECUTION PAGE
FOLLOWS]

Section 17. No Assignment. The rights and obligations created by this Purchase Agreement shall not be subject to assignment by the Underwriter or the Authority without the prior written consent of the other parties hereto.

STIFEL, NICOLAUS & COMPANY, INCORPORATED,
as Underwriter

By: _____
Managing Director

Accepted as of the date first stated above and
as of the time stated below:

RIVERSIDE UNIFIED SCHOOL DISTRICT
FINANCING AUTHORITY

By: _____
Treasurer

Time of Execution: [Pricing Date], 2015
___ p.m. PST

[EXECUTION PAGE OF BOND PURCHASE AGREEMENT]

APPENDIX A

Maturity Schedule

Serial Bonds

<i>Principal Payment Date</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Price</i>
9/1/20__	\$	%	%	
9/1/2016				
9/1/2017				
9/1/2018				
9/1/2019				
9/1/2020				
9/1/2021				
9/1/2022				
9/1/2023				
9/1/2024				
9/1/2024				
9/1/2025				
9/1/2026				
9/1/2027				
9/1/2028				
9/1/2029				
9/1/2030				
9/1/2031				
9/1/2032				
9/1/2033				
9/1/2033				
Total	\$ <u> </u>			

^c Prices to par optional redemption date of September 1, 20__.

Term Bond

<i>Principal Payment Date</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Price</i>
9/1/20__	\$	%	%	

^c Prices to par optional redemption date of September 1, 20__.

See “Mandatory Sinking Fund Redemption,” “Optional Redemption” and “Mandatory Redemption from Special Tax Prepayments” on the following page.

Optional Redemption. The Bonds maturing on and prior to September 1, 2024, are not subject to optional redemption. The Bonds maturing on or after September 1, 2025, are subject to redemption prior to their stated maturity dates on any date on or after March 1, 2025, as selected by the Authority, in integral multiples of \$5,000, at the option of the School District from moneys derived by the Authority from any source, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest to the date of redemption, without premium.

Mandatory Redemption from Special Tax Prepayments. The Bonds are subject to mandatory redemption prior to their stated maturity dates on any Interest Payment Date, as selected by the Authority, in integral multiples of \$5,000, from moneys derived by the Authority from mandatory redemption of the District Bonds as a result of Special Tax Prepayments, at redemption prices (expressed as percentages of the principal amounts of the Bonds to be redeemed), together with accrued interest to the date of redemption, as follows:

<i>Redemption Period</i>	<i>Redemption Price</i>
September 1, 2015, through September 1, 2023	103%
March 1, 2023 and September 1, 2024	102
March 1, 2024 and September 1, 2025	101
March 1, 2025 and any Interest Payment Date thereafter	100

Mandatory Sinking Fund Redemption. The Bonds maturing on September 1, 20__ are subject to mandatory sinking fund redemption prior to maturity, in part, on September 1, 20__, and on each September 1 thereafter by lot, from sinking fund payments at a redemption price equal to the principal amount of Bonds to be redeemed, together with accrued interest to the date of redemption, without premium, as follows:

<i>Redemption Date (September 1)</i>	<i>Redemption Amount</i>
	\$

(maturity)

The amounts in the foregoing mandatory sinking fund payment schedule with respect to the Term Bonds will be reduced by the Authority pro rata among redemption dates, in order to maintain substantially level debt service with respect to the Bonds, as a result of any prior or partial redemption of the Bonds.

APPENDIX B

**RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY
2015 SPECIAL TAX REVENUE REFUNDING BONDS**

RULE 15c2-12 CERTIFICATE

The undersigned hereby certifies and represents that he is the Treasurer of the Riverside Unified School District Financing Authority (the "Authority"), and, as such, is duly authorized to execute and deliver this certificate and further hereby certifies that:

(1) this certificate is being delivered in connection with the sale and issuance of the captioned bonds (the "Bonds") in order to enable the underwriter of the Bonds to comply with Rule 15c2-12 promulgated under the Securities and Exchange Act of 1934, as amended (the "Rule");

(2) in connection with the sale and issuance of the Bonds, there has been prepared a Preliminary Official Statement, dated [POS Date], 2015, setting forth information concerning the Bonds and the Authority (the "Preliminary Official Statement"); and

(3) except for the Permitted Omissions, the Preliminary Official Statement is deemed final within the meaning of the Rule. As used herein, the term "Permitted Omissions" refers to the offering price(s), interest rates(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings and other terms of the Bonds depending on such matters, all as set forth in the Rule.

IN WITNESS WHEREOF, I have hereunto set my hand as of [POS Date], 2015.

RIVERSIDE UNIFIED SCHOOL DISTRICT
FINANCING AUTHORITY

By: _____
Its: Treasurer

APPENDIX C

**RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY
2015 PECIAL TAX REVENUE REFUNDING BONDS**

CERTIFICATE OF SPECIAL TAX CONSULTANT

David Taussig & Associates, Inc., Newport Beach, California (“Special Tax Consultant”), was retained as Special Tax Consultant and assisted in the preparation of the Official Statement, dated [Pricing Date], 2015 (the “Official Statement”), relating to the above-referenced bonds (the “Bonds”).

With respect to each of the Taxing Jurisdictions and the related District Bonds, we hereby certify as follows:

(i) Based upon the Special Tax Consultant’s review of the Official Statement and such other documents as it deems relevant in the circumstances, the Special Tax Consultant hereby certifies that the Special Tax to be levied in each Taxing Jurisdiction, if collected in the maximum amounts permitted pursuant to the applicable Rate and Method of Apportionment for the Taxing Jurisdiction, would generate administrative expenses [as described in the Official Statement] plus at least 110% of the maximum annual debt service on the related District Bonds.

(ii) All information with respect to the Rate and Method of Apportionment for each of the Taxing Jurisdictions set forth in the Official Statement was true and correct as of the date of the Official Statement and remains true and correct as of the date hereof.

(iii) All information supplied by us for use in the Official Statement was true and correct as of the date of the Official Statement, including the tables in Appendix A thereof, and remains true and correct as of the date hereof and such information does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

The Authority, the School District and Stifel, Nicolaus & Company, Incorporated, are entitled to rely on this Certificate.

Dated: _____, 2015

DAVID TAUSSIG & ASSOCIATES, INC.

By: _____
Its: _____

APPENDIX D

RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY 2015 SPECIAL TAX REVENUE REFUNDING BONDS

CERTIFICATE REGARDING CONTINUING DISCLOSURE

The undersigned hereby states and certifies that:

(i) I am an authorized representative of [Dissemination Agent] (the “Dissemination Agent”).

(ii) The Dissemination Agent is familiar with the facts herein certified and is authorized and qualified to certify the same.

(iii) The Dissemination Agent has been retained to provide dissemination agent services for the following entities (collectively, the “Issuer”) with respect to continuing disclosure undertakings (the “Undertakings”) executed by the Issuer pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (the “Rule”) for the securities listed on the attached Schedule 1 (collectively, the “Issuer”):

- Riverside Unified School District Financing Authority;
- Riverside Unified School District; and
- Community facilities districts formed by the Riverside Unified School District.

(iv) The Undertakings are the only continuing disclosure undertakings under which the Issuer was obligated to provide continuing disclosure during the past five years.

(v) In its capacity as Dissemination Agent, the Dissemination Agent has reviewed the Undertakings and all annual filings made pursuant thereto, and concludes that in the previous five years, except as otherwise disclosed in the Preliminary Official Statement and the final Official Statement for the captioned bonds, the Issuer has filed each annual report in a complete and timely manner.

(vi) In its capacity as Dissemination Agent, the Dissemination Agent has reviewed the Undertakings, and all event filings (if any) made pursuant thereto, and concludes that in the previous five years, to the knowledge of the Dissemination Agent, after reasonable inquiry, except as otherwise disclosed in the Preliminary Official Statement and the final Official Statement for the captioned bonds, all event filings required to be made pursuant to the Rule have been made in a timely manner pursuant to the Rule.

(vii) To the extent the Issuer failed to comply in all material respects with a continuing disclosure undertaking during the previous five years, the Preliminary Official Statement and the final Official Statement accurately describe the actions taken by the Issuer to remedy such non-compliance.

(viii) [Discuss: The Dissemination Agent has provided Stifel, Nicolaus & Company, Incorporated with complete and accurate copies of all annual reports and all event filings that the Issuer

was required to file in the previous five years, and Stifel, Nicolaus & Company, Incorporated is entitled to rely on this certificate.]

Dated: _____

[DISSEMINATION AGENT]

By: _____
Authorized Officer

Schedule 1

<i>Issuer</i>	<i>Name of Bonds</i>

APPENDIX E

RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY 2015 SPECIAL TAX REVENUE REFUNDING BONDS

SCHOOL DISTRICT CLOSING CERTIFICATE

The undersigned, an authorized representative of the Riverside Unified School District (the "School District"), hereby certifies as follows:

(a) The School District is familiar with the facts herein certified and is authorized and qualified to certify the same.

(b) The [Discuss] Taxing Jurisdictions are community facilities districts duly organized and validly existing under the laws of the State of California, including the Act.

(c) The School District is a public agency duly organized and existing under the laws of the State of California, with full right, power and authority to execute, deliver and perform its obligations under the District Bonds Bond Purchase Agreement, the Escrow Agreements and the Fiscal Agent Agreements (together, the "School District Documents") and to carry out and consummate the transactions contemplated by the School District Documents and the Official Statement.

(d) By all necessary official action of the School District, including but not limited to the School District Resolution, the School District has duly authorized and approved the execution and delivery of, and the performance by the School District of the obligations contained in, the District Bonds and the School District Documents and as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded. When executed and delivered, the District Bonds and the School District Documents will constitute the legally valid and binding obligations of the School District enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally. The School District is in compliance in all respects with the terms of the School District Documents.

(e) The Preliminary Official Statement was as of its date, and the final Official Statement is, true and correct in all material respects, and the Preliminary Official Statement and the final Official Statement contain no misstatement of any material fact and do not omit any statement necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading; *provided, however*, no representation is made with respect to information therein relating to The Depository Trust Company and its book-entry only system.

(f) The School District will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Underwriter, which consent will not be unreasonably withheld. The School District will advise the Underwriter promptly of the

institution of any proceedings known to it by any governmental authority prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds.

(g) As of the date hereof, except as otherwise disclosed in the Official Statement, the School District is not in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State of California or the United States of America, or any applicable judgment or decree or any indenture, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the School District is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument; and, except as disclosed in the Official Statement, the authorization, execution and delivery of the District Bonds and the School District Documents and compliance with the provisions of each of such agreements or instruments do not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State of California or the United States of America, or any applicable judgment, decree, license, permit, indenture, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the School District (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be provided by the School District Documents.

(h) Except as disclosed in the Official Statement, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government authority, public board or body, is pending or threatened (i) in any way questioning the corporate existence of the School District or the titles of the officers of the School District to their respective offices; (ii) affecting, contesting or seeking to prohibit, restrain or enjoin the issuance or delivery of any of the District Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the District Bonds, or in any way contesting or affecting the validity of the District Bonds or the School District Documents or the consummation of the transactions contemplated thereby, or contesting the exclusion of the interest on the District Bonds from taxation or contesting the powers of the School District and its authority to pledge the revenues securing the District Bonds; (iii) which may result in any material adverse change relating to the School District; or (iv) contesting the completeness or accuracy of the Preliminary Official Statement or the final Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the final Official Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(i) If, at any time prior to the date twenty-five (25) days following the later of the Closing or the date the Underwriter no longer retains, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public, which date, if other than the date of the Closing, shall be provided to the School District by written notice of the Underwriter (the "End of the Underwriting Period"), any event of which the School District has knowledge shall occur which might or would cause the Final Official Statement to contain

an untrue statement of a material fact or to omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the School District will 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 opinion of the Underwriter, the School District or their respective counsel, to amend or supplement the Final Official Statement in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, the School District will cooperate with the Underwriter in the prompt preparation and furnishing to the Underwriter of a reasonable number of copies of an amendment of or a supplement to the Final Official Statement, in form and substance reasonably satisfactory to the Underwriter, which will so amend or supplement the Final Official Statement so that, as amended or supplemented, it will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(j) The School District acknowledges and agrees that: (i) the purchase and sale of the Bonds pursuant to the Purchase Agreement is an arm's length, commercial transaction between the Authority and the Underwriter, (ii) in connection with such transaction, the Underwriter is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the School District; (iii) the Underwriter has not assumed any advisory or fiduciary responsibility to the School District with respect to the transaction contemplated hereby and the discussions, undertakings and proceedings leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the School District on other matters) or any other obligation to the School District except the obligations expressly set forth in the Purchase Agreement or otherwise imposed by law, (iv) the Underwriter has financial interests that differ from those of the School District, and (v) the School District has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate in connection with the transaction contemplated herein. The School District, for itself and acting on behalf of each Taxing Jurisdiction, acknowledges that it has previously provided the Underwriter with an acknowledgement of receipt of the required Underwriter disclosure under Rule G-17 of the MSRB. The School District acknowledges that it has engaged Fieldman, Rolapp & Associates ("Fieldman, Rolapp & Associates"), as its municipal advisor (as defined in Securities and Exchange Commission Rule 15Ba1 ("Rule 15Ba1")), and for financial advice purposes, will rely only on the advice of Fieldman, Rolapp & Associates.

(k) Based on review of previous undertakings by the Authority, the School District and related entities and except as disclosed in the Preliminary Official Statement and the Official Statement, the Authority, the School District and related entities have not failed in any material respect to comply with any undertaking under the Rule in the previous five years.

(l) The Special Taxes may lawfully be levied in accordance with the Rates and Method (as those terms are defined in the Final Official Statement), and ordinances lawfully adopted by the Board of Education of the School District, which ordinances are in full force and effect, and, when levied, will be secured by a lien on the property on which they are levied.

(m) The issuance of the District Bonds complies with the _____ [Goals and Policies for Management of Community Facilities Districts]], dated _____, pursuant to Section 53321.7 of the Act.

(n) The Fiscal Agent Agreements create a valid pledge of and first lien upon the Special Tax Revenues deposited thereunder less Administrative Expenses not to exceed the Priority Administrative Expense Amount (as those terms are defined in the Final Official Statement), and the moneys in certain funds and accounts established pursuant to the Fiscal Agent Agreements, subject in all cases to the provisions of the Fiscal Agent Agreements permitting the application thereof for the purposes and on the terms and conditions set forth therein.

(o) The School District has covenanted in the Fiscal Agent Agreements to comply with the Internal Revenue Code of 1986, as amended, with respect to the Bonds; and the School District shall not knowingly take or omit to take any action that, under existing law, may adversely affect the exclusion from gross income for federal income tax purposes, or the exemption from any applicable State tax, of the interest on the Bonds.

(p) The Underwriter may rely on this Certificate.

Capitalized terms used herein but not defined have the meaning given them in the Purchase Agreement.

IN WITNESS WHEREOF, I have hereunto set my hand as of _____, 2015.

RIVERSIDE UNIFIED SCHOOL DISTRICT

By: _____
Its: _____

APPENDIX F

RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY 2015 SPECIAL TAX REVENUE REFUNDING BONDS

UNDERWRITER'S CERTIFICATE

This Certificate is furnished by Stifel, Nicolaus & Company, Incorporated, as underwriter (the "Underwriter") of the \$_____ stated principal amount of the Riverside Unified School District Financing Authority 2015 Special Tax Revenue Refunding Bonds (the "Bonds"). The Underwriter hereby certifies and represents the following, based upon the information available to it:

1. Issue Price.

1.1 As of the date a purchase agreement was signed with respect to the Bonds (the "Sale Date"), we reasonably expected to sell a substantial amount of each maturity (i.e., at least 10%) of the Bonds to the general public (excluding bond houses, brokers or similar persons acting in the capacity of underwriter or wholesalers) in a bona fide public offering at the prices listed on Schedule A.

1.2 In our opinion, and based upon our estimate as of the Sale Date, the initial offering prices of the Bonds set forth in Schedule A are within a reasonable range of, and should reflect, the fair market prices for such Bonds.

1.3 As of the date of execution of the attached Tax Certificate, all of the Bonds have actually been offered to the general public at the prices listed in Schedule A.

1.4 As of the Sale Date, at least 10% of each maturity of the Bonds were sold or were reasonably expected to be sold at the prices referred to in Schedule A.

2. Arbitrage Yield.

2.1 We have calculated the arbitrage yield with respect to the Bonds to be _____% in accordance with the instructions provided by the Bond Counsel in Section ____ of the Tax Certificate.

3. Reserve Fund

The funding of the Reserve Fund as provided in the Tax Certificate is reasonably required, was a vital factor in marketing the Bonds, facilitated the marketing of the Bonds at an interest rate comparable to that of bonds and other obligations of a similar type and is not in excess of the amount necessary for such purpose.

To the extent that we provided the Authority and Bond Counsel with certain computations that show a bond yield, issue price, weighted average maturity and certain other information with respect to the Bonds, these computations are based on our understanding of

directions that we have received from Bond Counsel regarding interpretation of the applicable law. We express no view regarding the legal sufficiency of any such computations or the correctness of any legal interpretation made by Bond Counsel.

All terms not defined herein have the meanings ascribed to those terms in the attached Tax Certificate. Nothing herein represents our interpretation of any laws or regulations under the Internal Revenue Code of 1986, as amended.

Dated: _____

STIFEL, NICOLAUS & COMPANY,
INCORPORATED, as underwriter

By: _____
Managing Director

FISCAL AGENT AGREEMENT

by and between

RIVERSIDE UNIFIED SCHOOL DISTRICT

and

U.S. BANK NATIONAL ASSOCIATION
as Fiscal Agent

Dated as of January 1, 2015

Relating to

Community Facilities District No. ___
of Riverside Unified School District
County of Riverside
State of California

\$ _____
2015 Special Tax Refunding Bonds

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FISCAL AGENT AGREEMENT

THIS FISCAL AGENT AGREEMENT (the “Agreement”) is entered into and dated as of January 1, 2015, by and between Riverside Unified School District, a unified school district (the “School District”), for and on behalf of Community Facilities District No. ___ of Riverside Unified School District, County of Riverside, State of California (the “District”), and U.S. Bank National Association, a national banking association, duly organized and existing under the laws of the United States of America, as fiscal agent (the “Fiscal Agent”).

WITNESSETH:

WHEREAS, the Board of Education of the School District (the “Board of Education”) has established the District pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the California Government Code (the “Act”); and

WHEREAS, bonds of the District designated “Community Facilities District No. ___ 2015 Special Tax Bonds” have been issued in the aggregate principal amount of \$_____ and are outstanding in the aggregate principal amount of \$_____, and the Board of Education has determined that it is in the best interest of the owners of property in the District that bonds of the District (the “Bonds”) be issued to defease and refund the outstanding bonds of the District; and

WHEREAS, the Board of Education has determined that the Bonds shall be issued in the aggregate principal amount of \$_____ and

WHEREAS, all things necessary to cause such bonds, when executed by the School District and authenticated by the Fiscal Agent for the District and issued as in the Act, the Resolution (as hereinafter defined) and this Agreement provided, to be legal, valid and binding special obligations of the District in accordance with their terms, and all things necessary to cause the authorization, execution and delivery of this Agreement and the authorization, execution, authentication and delivery of such bonds, subject to the terms hereof, have in all respects been duly authorized; and

WHEREAS, the Riverside Unified School District Financing Authority (the “Authority”) will issue its Riverside Unified School District Financing Authority 2015 Special Tax Revenue Refunding Bonds for the purpose of providing moneys with which to purchase the Bonds; and

WHEREAS, the Board of Education has determined that it is in the best interest of the owners of the property in the District that the Bonds be sold to the Authority on the terms and conditions hereinafter specified;

NOW, THEREFORE, in consideration of the covenants and provisions herein set forth and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE I

AUTHORITY AND DEFINITIONS

Section 1.01. Authority for this Agreement. This Agreement is entered into pursuant to the provisions of the Act and the Resolution.

Section 1.02. Agreement for Benefit of Bondowners. The provisions, covenants and agreements herein set forth to be performed by or on behalf of the School District and/or the District shall be for the equal benefit, protection and security of the Owners. All of the Bonds, without regard to the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof, except as expressly provided in or permitted by this Agreement. The Fiscal Agent may become the owner of any of the Bonds with the same rights it would have if it were not Fiscal Agent. If Parity Bonds are issued for the purpose of discharging the indebtedness of a portion of the Outstanding Bonds, as provided in Section 9.03 hereof, the provisions of this Section 1.02 shall apply to such Parity Bonds to the same extent and with the same effect as they apply to the Bonds.

Section 1.03. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.03 shall, for all purposes of this Agreement, of any Supplemental Agreement, and of any certificate, opinion or other document herein mentioned, have the meanings herein specified. All references herein to “Articles,” “Sections” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Agreement, and the words “herein,” “hereof,” “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or subdivision hereof. Any capitalized terms used herein and not otherwise defined herein shall have the meaning set forth in the Indenture.

“Act” means the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the California Government Code.

“Administrative Expenses” means any or all of the following: the fees and expenses of the Fiscal Agent and the Authority Trustee (including any fees or expenses of their counsel), the expenses of the School District in carrying out its duties hereunder (including, but not limited to, the levying and collection of the Special Taxes) including the fees and expenses of its counsel, an allocable share of the salaries of the School District staff directly related thereto and a proportionate amount of the School District general administrative overhead related thereto, any amounts paid by the School District from its general funds, the expenses of the Authority in carrying out its duties under the Authority Indenture, including the fees and expenses of its counsel, and all other costs and expenses of the School District, the Authority, the Fiscal Agent or the Authority Trustee, incurred in connection with the discharge of their respective duties hereunder or under the Authority Indenture and, in the case of the School District, in any way related to the administration of the District.

“Administrative Expense Fund” means the fund by that name established by Section 3.05(A) hereof.

“Agreement” means this Agreement, as it may be amended or supplemented from time to time by any Supplemental Agreement adopted pursuant to the provisions hereof.

“Annual Debt Service” means, for each Bond Year, the sum of (i) the interest due on the Outstanding Bonds in such Bond Year, assuming that the Outstanding Bonds are retired as scheduled, and (ii) the principal amount of the Outstanding Bonds scheduled to be paid.

“Auditor” means the Auditor-Controller of the County of Riverside.

“Authority” means the Riverside Unified School District Financing Authority.

“Authority Bonds” means the Riverside Unified School District Financing Authority 2015 Special Tax Revenue Refunding Bonds.

“Authority Bonds Reserve Fund” means the Reserve Fund established pursuant to Section 4.03 of the Authority Indenture.

“Authority Bonds Reserve Fund” means the Authority Bonds Reserve Fund established pursuant to the Authority Indenture.

“Authority Bonds Reserve Fund Proportionate Share” means the District’s proportionate share of the Reserve Requirement as of the Closing Date. The Authority Bonds Reserve Fund Proportionate Share for the Bonds shall equal \$_____ on the Closing Date, subject to any reduction pursuant to Section 4.03(G) hereof, and upon a redemption pursuant to Section 2.03 hereof.

“Authority Indenture” means the Indenture of Trust to be dated as of the Closing Date by and between the Authority and U.S. Bank National Association, as Trustee, with respect to the Authority Bonds.

“Authority Trustee” means U.S. Bank National Association, the Trustee appointed by the Authority and acting as Trustee pursuant to the Authority Indenture.

“Authorized Officer” means any officer or employee of the School District authorized by the Board of Education or by an Authorized Officer to undertake the action referenced in this Agreement as required to be undertaken by an Authorized Officer.

“Board of Education” means the Board of Education of the School District.

“Bond Counsel” means any attorney or firm of attorneys acceptable to the School District and nationally recognized for expertise in rendering opinions as to the legality and tax-exempt status of securities issued by public entities.

“Bond Fund” means the fund by that name established by Section 4.02(A) hereof.

“Bond Year” means the period beginning on the Closing Date and ending on September 1, 2015 and thereafter the period beginning on each September 2 and ending on the following September 1.

“Bonds” means, unless otherwise expressly provided, the Community Facilities District No. __ of Riverside Unified School District 2015 Special Tax Refunding Bonds, authorized by and at any time Outstanding pursuant to the Act and this Agreement.

“Business Day” means any day other than (i) a Saturday or a Sunday or (ii) a day on which banking institutions in the State of California or in any state in which the Fiscal Agent has its Principal Office are authorized or obligated by law or executive order to be closed.

“Closing Date” means _____, 2015 the date upon which there is an exchange of the Bonds for the proceeds representing payment of the purchase price of the Bonds by the Original Purchaser.

“Code” means the Internal Revenue Code of 1986, as amended.

“Costs of Issuance” means items of expense payable or reimbursable directly or indirectly by the School District and/or the Authority and related to the authorization, sale and issuance of the Bonds and/or the Authority Bonds, which items of expense shall include, but not be limited to, printing costs, costs of reproducing and binding documents, including but not limited to the preliminary official statement and official statement regarding the Authority Bonds and the Bonds, closing costs, filing and recording fees, initial fees and charges of the Fiscal Agent or the Authority Trustee including its first annual administration fee and the fees of its counsel, expenses incurred by the School District in connection with the issuance of the Bonds and/or the Authority Bonds and the establishment of the District, underwriter’s discount relating to the Bonds and/or the Authority Bonds, including the fees of Bond Counsel and Disclosure Counsel, financial advisor’s fees, charges for authentication, transportation and safekeeping of the Bonds and/or the Authority Bonds and other costs, charges and fees in connection with the foregoing.

“Costs of Issuance Fund” means the fund by that name established by Section 3.06(A) hereof.

“Debt Service” means the amount of interest and principal payable on the Bonds scheduled to be paid during the period of computation, excluding amounts payable during such period which relate to principal of the Bonds which are scheduled to be retired and paid before the beginning of such period.

“Defeasance Securities” means for, purposes of Section 9.03(C) hereof, the following:

- (i) Cash;
- (ii) United States Treasury Certificates, Notes and Bonds (including State and Local Government Series - “SLGs”);
- (iii) Direct obligations of the United States Treasury which have been stripped by the Treasury itself, CATS, TIGRS and similar securities;

(iv) Resolution Funding Corporation (REFCORP) obligations; provided that only the interest component of REFCORP strips which have been stripped by request of the Federal Reserve Bank of New York in book-entry form are acceptable;

(v) Pre-refunded municipal bonds rated “Aaa” by Moody’s and “AAA” by Standard & Poor’s; provided, however, that if the issue is only rated by Standard & Poor’s (i.e., there is no Moody’s rating), then the pre-refunded bonds must have been pre-refunded with cash, direct United States or United States guaranteed obligations, or “AAA” rated pre-refunded municipal bonds; and

(vi) Obligations issued by the following agencies which are backed by the full faith and credit of the United States of America:

- (a) U.S. Export-Import Bank
Direct obligations or fully guaranteed certificates of beneficial ownership
- (b) Federal Financing Bank
- (c) General Services Administration
Participation certificates
- (d) United States Maritime Administration
Guaranteed Title XI financing
- (e) United States Department of Housing and Urban Development
Project notes
Local Authority Bonds
New Communities Debentures - United States government guaranteed debentures
United States Public Housing Notes and Bonds - United States government guaranteed public housing notes and bonds.

“District” means Community Facilities District No. ___ of Riverside Unified School District, County of Riverside, State of California.

“Escrow Agent” means U.S. Bank National Association, acting as Escrow Agent pursuant to the Escrow Agreement.

“Escrow Agreement” means the Escrow Agreement dated as of the Closing Date to be entered into by the School District and the Escrow Agent whereby Proceeds of the Bonds will be deposited in the Escrow Fund for the defeasance and refunding of the bonds of the Outstanding Bonds of the District.

“Federal Securities” means any of the following which at the time of investment are legal investments under the laws of the State of California for the moneys proposed to be invested therein:

(i) Cash; and

(ii) Direct general obligations of (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America and CATS and TIGRS), or obligations, the payment of principal of and interest on which is unconditionally guaranteed by, the United States of America.

“Fiscal Agent” means U.S. Bank National Association, the Fiscal Agent appointed by the School District, acting as an independent fiscal agent with the duties and powers herein provided, its successors and assigns, and any other corporation or association which may at any time be substituted in its place, as provided in Section 7.01 hereof.

“Fiscal Year” means the twelve-month period extending from July 1 in a calendar year to June 30 of the succeeding year, both dates inclusive.

[“Improvement Fund” means the fund by that name established pursuant to Section 3.06 hereof.]

“Indenture” means the Indenture of Trust, dated as of _____ 1, 2015, by and between the Authority and U.S. Bank National Association, as Trustee, relating to the Authority Bonds.

“Independent Financial Consultant” means a firm of certified public accountants, a financial consulting firm, a consulting engineering firm or engineer which is not an employee of, or otherwise controlled by, the School District or the Special Tax Consultant.

“Information Services” means the Electronic Municipal Market Access System of the Municipal Securities Rulemaking Board; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other services providing information with respect to called bonds as may be designated in a Certificate of the Authority delivered to the Trustee.

“Interest Account” means the account by that name established by the Fiscal Agent in the Bond Fund pursuant to Section 4.02(A) hereof.

“Interest Payment Dates” means March 1 and September 1 of each year, commencing September 1, 2015.

“Investment Earnings” means all interest earned and any gains and losses on the investment of moneys in any fund or account created by this Agreement excluding interest earned and gains and losses on the investment of moneys in the Rebate Fund.

“Joint Community Facilities Agreement” means the Joint Community Facilities Agreement, dated as of _____, by and between the School District and _____.

“Maximum Annual Debt Service” means the largest Annual Debt Service for any Bond Year after the calculation is made through the final maturity date of any Outstanding Bonds.

“Moody’s” shall mean Moody’s Investors Service, Inc., a national rating service with offices in New York, New York.

“Officer’s Certificate” means a written certificate of the School District signed by an Authorized Officer of the School District.

“Ordinance” means any ordinance of the School District or resolution of the Board of Education levying the Special Taxes.

“Original Purchaser” means the first purchaser of the Bonds from the School District (i.e., the Authority).

“Other Community Facilities District Bonds” means the Community Facilities District No. 10 of Riverside Unified School District 2015 Special Tax Refunding Bonds, Community Facilities District No. 13 (Improvement Area No. 1) of Riverside Unified School District 2015 Special Tax Refunding Bonds, Community Facilities District No. 14 of Riverside Unified School District 2015 Special Tax Refunding Bonds, Community Facilities District No. 15 (Improvement Area No. 2) of Riverside Unified School District 2015 Special Tax Refunding Bonds, Community Facilities District No. 17 of Riverside Unified School District 2015 Special Tax Refunding Bonds, Community Facilities District No. 18 of Riverside Unified School District 2015 Special Tax Refunding Bonds, Community Facilities District No. 21 (Improvement Area No. 2) of Riverside Unified School District 2015 Special Tax Refunding Bonds, Community Facilities District No. 22 of Riverside Unified School District 2015 Special Tax Refunding Bonds and Community Facilities District No. 24 of Riverside Unified School District Special Tax Refunding Bonds, which are being purchased by the Authority concurrently with its purchase of the Bonds.

“Outstanding,” when used as of any particular time with reference to the Bonds, means (subject to the provisions of Section 8.04 hereof) all Bonds except:

(i) Bonds theretofore canceled by the Fiscal Agent or surrendered to the Fiscal Agent for cancellation;

(ii) Bonds called for redemption which, for the reasons specified in Section 2.03(G) hereof, are no longer entitled to any benefit under this Agreement other than the right to receive payment of the redemption price therefor;

(iii) Bonds paid or deemed to have been paid within the meaning of Section 9.03 hereof; and

(iv) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by the School District and authenticated by the Fiscal Agent pursuant to this Agreement or any Supplemental Agreement.

“Owner” means any person who shall be the registered owner of any Outstanding Bond.

“Parity Bonds” means bonds issued by the District pursuant to Section 2.12 hereof, for the purpose of accomplishing the defeasance and refunding of a portion of the Outstanding

Bonds pursuant to Section 9.03 hereof, and that are secured by a pledge of and lien upon the Special Tax Revenues and funds pledged herein for the payment of the Bonds hereunder on a parity with the Outstanding Bonds.

“Permitted Investments” means:

(i) Federal Securities; and

(ii) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself):

- (a) U.S. Export-Import Bank
Direct obligations or fully guaranteed certificates of beneficial ownership
- (b) Federal Financing Bank
- (c) Federal Housing Administration Debentures
- (d) General Services Administration
Participation certificates
- (e) Government National Mortgage Association (GNMA)
GNMA - guaranteed mortgage-backed bonds
GNMA - guaranteed pass-through obligations
- (f) U.S. Maritime Administration
Guaranteed Title XI financing
- (g) U.S. Department of Housing and Urban Development
Project Notes
Local Authority Bonds
New Communities Debentures - United States government guaranteed debentures
U.S. Public Housing Notes and Bonds - United States government guaranteed public housing notes and bonds;

(iii) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit United States government agencies (stripped securities are only permitted if they have been stripped by the agency itself):

- (a) Federal Home Loan Bank System
Senior debt obligations

- (b) Federal Home Loan Mortgage Corporation
Participation Certificates
Senior debt obligations
- (c) Federal National Mortgage Association
Mortgage-backed securities and senior debt obligations
- (d) Student Loan Marketing Association
Senior debt obligations
- (e) Resolution Funding Corporation (REFCORP) obligations
- (f) Farm Credit System
Consolidated systemwide bonds and notes;

(iv) Money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by Standard & Poor's of "AAAm-G," "AAA-m" or "AA-m" and, if rated by Moody's, rated "Aaa," "Aa1" or "Aa2" by Moody's, including funds for which the Fiscal Agent or any of its affiliates provides investment management services;

(v) Unsecured certificates of deposit and time deposits (having maturities of not more than 365 days) of any bank whose short-term obligations are rated on the date of purchase "A-1+" or better by S&P and "P-1" by Moody's, and certificates of deposit (including those of the Fiscal Agent, its parent and its affiliates) secured at all times by collateral of the type that may be used by a national bank for purposes of satisfying its obligations to collateralize pursuant to federal law and which are issued by commercial banks, savings and loan associations or mutual savings banks whose short-term obligations are rated on the date of purchase "A-1" or better by S&P and Moody's;

(vi) Certificates of deposit, savings accounts, deposit accounts or money market deposits which are fully insured by FDIC, including BIF and SAIF;

(vii) Investment agreements with domestic or foreign banks or corporations the long-term debt or claims paying ability of which or, in the case of a guaranteed corporation, the long-term debt, or, in the case of a monoline financial guaranty insurance company, the claims paying ability or financial strength, of the guarantor is rated in at least the double A category by Standard & Poor's and Moody's; provided that, by the terms of the investment agreement:

(a) interest payments are to be made to the Fiscal Agent at times and in amounts as necessary to pay debt service on the Bonds;

(b) the invested funds are available for withdrawal without penalty or premium, at any time upon not more than seven (7) days' prior notice;

(c) the investment agreement shall provide that it is the unconditional and general obligation of, and is not subordinated to any other obligation of, the provider thereof;

(d) the School District and the Fiscal Agent receive the opinion of domestic counsel (which opinion shall be addressed to the School District) that such investment agreement is legal, valid, binding upon and enforceable against the provider in accordance with its terms and of foreign counsel (if applicable) in form and substance acceptable, and addressed to, the School District;

(e) the investment agreement shall provide that if during its term

(1) the provider's rating by either Standard & Poor's or Moody's falls below "AA-" or "Aa3", respectively, the provider shall, at its option, within ten (10) days of receipt of publication of such downgrade, either (i) collateralize the investment agreement by delivering or transferring in accordance with the applicable state and federal laws (other than by means of entries on the provider's books) to the School District, the Fiscal Agent or a third party acting solely as agent therefor (the "Holder of the Collateral") collateral free and clear of any third-party liens or claims, the market value of which collateral is maintained at levels and upon such conditions as would be acceptable to Standard & Poor's and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach); or (ii) assign the investment agreement and all of its obligations thereunder to a financial institution mutually acceptable to the provider and the School District which is rated either in the first or second highest category by Standard & Poor's and Moody's; and

(2) the provider's rating by either Standard & Poor's or Moody's is withdrawn or suspended or falls below "A-" or "A3", respectively, the provider must, at the direction of the School District or the Fiscal Agent, within ten (10) days of receipt of such direction, repay the principal of and accrued but unpaid interest on the invested funds, in either case with no penalty or premium to the School District or the Fiscal Agent, as appropriate; and

(f) the investment agreement shall provide and an opinion of counsel shall be rendered, in the event collateral is required to be pledged by the provider under the terms of the investment agreement at the time such collateral is delivered, that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this shall mean the Holder of the Collateral is in possession of such collateral); and

(g) the investment agreement shall provide that if during its term

(1) the provider shall default in its payment obligations, the provider's obligations under the investment agreement shall, at the direction of the School District or the Fiscal Agent, be accelerated and amounts invested and accrued but unpaid interest thereon shall be paid to the School District or the Fiscal Agent, as appropriate; and

(2) the provider shall become insolvent, not pay its debts as they become due, be declared or petition to be declared bankrupt, etc., the provider's obligations shall automatically be accelerated and amounts invested and accrued but unpaid interest thereon shall be paid to the School District or the Fiscal Agent, as appropriate;

(viii) Commercial paper rated, at the time of purchase, "Prime - 1" by Moody's and "A-1" or better by Standard & Poor's;

(ix) Bonds or notes issued by any state or municipality which are rated by Moody's or Standard & Poor's in one of the two highest rating categories assigned by them;

(x) Federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of "Prime - 1" or "A3" or better by Moody's and "A-1" or better by Standard & Poor's;

(xi) Repurchase agreements which satisfy the following criteria:

(a) Repurchase agreements must be between the School District or the Fiscal Agent and a dealer bank or securities firm which is:

(1) A primary dealer on the Federal Reserve reporting dealer list which is rated "A" or better by Standard & Poor's and Moody's, or

(2) A bank rated "A" or above by Standard & Poor's and Moody's;

(b) The written agreement must include the following:

(1) Securities which are acceptable for transfer are:

(A) direct obligations of the United States government,
or

(B) obligations of federal agencies backed by the full faith and credit of the United States of America (or the Federal National Mortgage Association (FNMA) or the Federal Home Loan Mortgage Corporation (FHLMC)),

(2) The collateral must be delivered to the School District or the Fiscal Agent (if the Fiscal Agent is not supplying the collateral) or a

third party acting as agent for the Fiscal Agent (if the Fiscal Agent is supplying the collateral) before or simultaneous with payment (perfection by possession of certificated securities),

(3) (A) The securities must be valued weekly, marked-to-market at current market price plus accrued interest, and

(B) The value of the collateral must be at least equal to one hundred four percent (104%) of the amount of money transferred by the Fiscal Agent to the dealer, bank or security firm under the agreement plus accrued interest. If the value of the securities held as collateral is reduced below one hundred four percent (104%) of the value of the amount of money transferred by the Fiscal Agent, then additional acceptable securities and/or cash must be provided as collateral to bring the value of the collateral to one hundred four percent (104%); provided, however, that if the securities used as collateral are those of FNMA or FHLMC, then the value of the collateral must be equal to one hundred five percent (105%) of the amount of money transferred by the Fiscal Agent; and

(c) A legal opinion must be delivered to the School District and the Fiscal Agent that the repurchase agreement meets the requirements of California law with respect to the investment of public funds; and

(xii) The following investment pools:

(a) Local Agency Investment Fund (as set forth in Government Code Section 16429.1);

(b) Riverside County Investment Pool; and

(c) California Assessment Management Pool (CAMP).

“Principal Account” means the account by that name established by the Fiscal Agent pursuant to Section 4.02(A) hereof.

“Principal Office” means with respect to the payment, registration, surrender, exchange or transfer of any Bond or Bonds, the principal corporate trust office or agency of the Fiscal Agent in St. Paul, Minnesota, or such other offices as the Fiscal Agent may designate.

“Priority Administrative Expense Amount” means the amount of \$[20,000] that will be deposited in the Administrative Expense Fund for each Fiscal Year pursuant to Section 3.04(B) hereof.

“Proceeds,” when used with reference to the Bonds, means the aggregate principal amount of the Bonds, plus accrued interest and premium, if any, less original issue discount, if any.

“Rates and Method of Apportionment of Special Tax” means the Rates and Method of Special Tax for the District.

“Rebate Certificate” means the certificate delivered by the School District upon the delivery of the Bonds relating to Section 148 of the Code, or any functionally similar replacement certificate.

“Rebate Fund” means the fund by that name established by Section 6.02 hereof.

“Record Date” means the fifteenth (15th) day of the month next preceding the applicable Interest Payment Date whether or not such day is a Business Day.

“Regulations” means the temporary and permanent regulations of the United States Department of the Treasury promulgated under the Code.

“Reserve Fund” means the fund by that name established by Section 4.03(A) hereof.

“Reserve Requirement” equals \$ _____ as of the Closing Date, which is the least of (i) ten percent (10%) of the proceeds of the sale of the Authority Bonds, (ii) Maximum Annual Debt Service on the Authority Bonds or (iii) 125 percent of average Annual Debt Service on the Authority Bonds. The Reserve Requirement may be reduced on any Calculation Date.

“Resolution” means Resolution No. ____ adopted by the Board of Education on, December 8, 2014.

“School District” means Riverside Unified School District.

“School District Certificate” means a certificate signed by the Superintendent or an Assistant Superintendent of the School District requesting the disbursement of funds from the School District Facilities Account pursuant to Section 3.03(B)(2) hereof.

“School District Facilities” means the public school facilities of the School District the construction and acquisition of which are to be financed with the Proceeds deposited in the School District Facilities Account as specified in the Joint Community Facilities Agreement.

“Securities Depositories” means The Depository Trust Company, 55 Water Street, 50th Floor, New York, New York, 10041-0099, Call Notification Department, Fax (212) 855-7232; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other securities depositories as the School District may designate in an Officer’s Certificate delivered to the Fiscal Agent.

“Special Taxes” or “Special Tax” means the special taxes levied by the Board of Education on parcels of taxable property within the District pursuant to the Act and this Agreement pursuant to the Act and this Agreement to satisfy the Debt Service and Facilities Special Tax Requirement (as defined in the Rates and Method of Apportionment of Special Tax).

“Special Tax Consultant” means an engineer or financial consultant or other such person or firm with expertise in the apportionment and levy of special taxes in community facilities

districts which is employed by the School District to assist the School District in levying the Special Taxes.

“Special Tax Fund” means the fund by that name established by Section 3.04(A) hereof.

“Special Tax Prepayments” means amounts received by the School District as prepayments of all or a portion of the Special Tax obligation of a parcel of property in the District.

“Special Tax Prepayments Account” means the account by that name established by the Fiscal Agent in the Bond Fund pursuant to Section 4.02(A) hereof.

“Special Tax Revenues” means the proceeds of the Special Taxes received by the School District, including any scheduled payments thereof, interest and penalties thereon and proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of the Special Taxes in the amount of said lien and interest and penalties thereon.

“Standard & Poor’s” means Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc., a national rating service with offices in New York, New York.

“Subordinate Bonds” means bonds issued by the District pursuant to Section 2.12 hereof, for the purpose of accomplishing the defeasance and refunding of a portion of the Outstanding Bonds pursuant to Section 9.03 hereof, and that are secured by a pledge of and lien upon the Special Tax Revenues and funds pledged herein for the payment of the Bonds hereunder subordinate to the Outstanding Bonds.

“Supplemental Agreement” means an agreement amending and supplementing this Agreement as permitted hereby.

“Surplus Account” means the account by that name established in the Special Tax Fund by Section 3.04 (A) hereof.

ARTICLE II

THE BONDS

Section 2.01. Principal Amount; Designation. The Bonds in the aggregate principal amount of \$ _____ are hereby authorized to be issued by the School District for the District under and subject to the terms of the Resolution, this Agreement, the Act and other applicable laws of the State of California. The Bonds shall be designated “Community Facilities District No. -- of Riverside Unified School District 2015 Special Tax Revenue Refunding Bonds” and shall be issued in the form attached hereto as Exhibit A.

Section 2.02. Terms of Bonds.

(A) The Bonds. The Bonds shall be issued as fully registered bonds, without coupons, in the denominations of \$5,000 or any integral multiple thereof. The Bonds shall be lettered and

numbered in a customary manner as determined by the Fiscal Agent. The Bonds shall be dated as of _____, 2015.

(B) Maturities. The Bonds shall mature and become payable on September 1 of each year, as follows:

<u>Maturity Dates</u> <u>(September 1)</u>	<u>Principal Amounts</u>	<u>Interest Rates</u>
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(C) Interest. The Bonds shall bear interest at the rates set forth in subsection (B) above payable on the Interest Payment Dates in each year. Interest shall be calculated on the basis of a 360-day year composed of twelve 30-day months. Each Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof unless (i) it is authenticated on an Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (ii) it is authenticated prior to an Interest Payment Date and after the close of business on the Record Date preceding such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (iii) it is authenticated prior to the Record Date preceding the first Interest Payment Date, in which event it shall bear interest from the Closing Date; provided, however, that if at the time of authentication of a Bond, interest is in default thereon, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon or from the Closing Date, if no interest has previously been paid or made available for payment thereon.

(D) Method of Payment. Interest on the Bonds is payable by check of the Fiscal Agent mailed by first class mail, postage prepaid, on each Interest Payment Date, until the principal amount of a Bond has been paid or made available for payment, to the registered Owner thereof at such registered Owner's address as it appears on the registration books maintained by the Fiscal Agent at the close of business on the Record Date preceding the Interest Payment Date. The principal of the Bonds and any premium on the Bonds are payable in lawful money of the United States of America by check of the Fiscal Agent upon surrender of such Bonds at the Principal Office of the Fiscal Agent; provided, however, that at the written request of the Owner of at least \$1,000,000 in aggregate principal amount of Outstanding Bonds filed with the Fiscal Agent prior to any Record Date, interest on such Bonds shall be paid to such

Owner on each succeeding Interest Payment Date by wire transfer of immediately available funds to an account in the United States of America designated in such written request. All Bonds paid by the Fiscal Agent pursuant to this subsection shall be canceled by the Fiscal Agent.

Notwithstanding the preceding provisions of this Agreement or any provision of the Bonds, so long as the Trustee is the Owner of the Bonds on behalf of the Authority, the Fiscal Agent shall pay the interest on and principal of the Bonds to the Authority Trustee, as assignee of the Authority pursuant to Section 4.01(c) of the Authority Indenture.

(E) CUSIP Identification Numbers. “CUSIP” identification numbers shall be imprinted on the Bonds, but such numbers shall not constitute a part of the contract evidenced by the Bonds. In addition, failure on the part of the School District or the Fiscal Agent to use such CUSIP numbers in any notice to the Owners shall not constitute an event of default or any violation of the School District’s contract with the Owners and shall not impair the effectiveness of any such notice.

Notwithstanding the preceding provisions of this subsection, as long as the Trustee is the Owner of the Bonds on behalf of the Authority, CUSIP identification numbers shall not be imprinted on the Bonds.

Section 2.03. Redemption.

(A) Optional Redemption. The Bonds are subject to redemption prior to their stated maturity dates on any date on or after March 1, 2025, as selected by the School District, in integral multiples of \$5,000, at the option of the School District from moneys derived by the School District from any source, at redemption prices (expressed as percentages of the principal amounts of the Bonds to be redeemed), together with accrued interest to the date of redemption.

(B) Mandatory Redemption From Special Tax Prepayments. The Bonds are subject to mandatory redemption prior to their stated maturity dates on any Interest Payment Date, as selected by the School District, in integral multiples of \$5,000, from moneys derived by the School District from Special Tax Prepayments, at redemption prices (expressed as percentages of the principal amounts of the Bonds to be redeemed), together with accrued interest to the date of redemption, as follows:

<u>Redemption Period</u>	<u>Redemption Price</u>
September 1, 2015, through September 1, 2022	103%
March 1, 2023 and September 1, 2023	102%
March 1, 2024 and September 1, 2024	101%
March 1, 2025 and any Interest Payment Date thereafter	100%

(C) Purchase of Bonds. In lieu of payment at maturity or redemption under this Section 2.03, moneys in the Bond Fund may be used and withdrawn by the Fiscal Agent for purchase of Outstanding Bonds, upon the filing with the Fiscal Agent of an Officer’s Certificate requesting such purchase, at public or private sale as and when, and at such prices (including brokerage and other charges) as such Officer’s Certificate may provide, but in no event may

Bonds be purchased at a price in excess of the principal amount thereof, plus interest accrued to the date of purchase.

(D) Notice to Fiscal Agent. An Authorized Officer shall give the Fiscal Agent, the Trustee and the Authority written notice of the School District's intention to redeem Bonds not less than forty-five (45) days prior to the applicable redemption date. Such written notice shall specify whether Bonds are to be redeemed pursuant to subsection (A) or subsection (B) above.

(E) Redemption Procedure by Fiscal Agent. The Fiscal Agent shall cause notice of any redemption to be mailed by first class mail, postage prepaid, at least thirty (30) days but not more than sixty (60) days prior to the date fixed for redemption, to the Securities Depositories and to one or more Information Services selected by an Authorized Officer, and to the respective registered Owners of any Bonds designated for redemption, at their addresses appearing on the Bond registration books maintained by the Fiscal Agent at its Principal Office; but such mailing shall not be a condition precedent to such redemption and failure to mail or to receive any such notice, or any defect therein, shall not affect the validity of the proceedings for the redemption of such Bonds. The Fiscal Agent shall also cause notice of any redemption to be mailed, in such manner and within such time, to the Original Purchaser.

Such notice shall state the date of such notice, the date of issue of the Bonds, the place or places of redemption, the redemption date, the redemption price and, if less than all of the then Outstanding Bonds are to be called for redemption, shall designate the CUSIP numbers and Bond numbers of the Bonds to be redeemed, by giving the individual CUSIP number and Bond number of each Bond to be redeemed, or shall state that all Bonds between two stated Bond numbers, both inclusive, are to be redeemed or that all of the Bonds of one or more maturities have been called for redemption, shall state as to any Bond called for redemption in part the portion of the principal of the Bond to be redeemed, shall require that such Bonds be then surrendered at the Principal Office of the Fiscal Agent for redemption at the said redemption price, and shall state that further interest on such Bonds will not accrue from and after the redemption date. The cost of the mailing of any such redemption notice shall be paid by the District.

Notwithstanding the preceding provisions of this subsection, so long as the Trustee is the Owner of the Bonds on behalf of the Authority, the Fiscal Agent shall not cause notice of any redemption of Bonds to be mailed to the Securities Depositories or the Information Services, and shall not mail notice of the redemption of Bonds to the Authority if it files a written waiver of the mailing of such notice with the Fiscal Agent.

Notwithstanding any provision to the contrary, any redemption of the Bonds shall be accompanied with a report of the Special Tax Consultant or Independent Financial Advisor demonstrating that the Revenues under the Authority Indenture remaining to be paid from the Other Community Facilities Districts together with amounts remaining to be paid hereunder, if any, are sufficient to pay Debt Service on the Authority Bonds.

Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall, to the extent practicable, bear the CUSIP number

identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

The School District shall have the right to rescind any notice of redemption prior to maturity on or prior to the date fixed for such redemption prior to maturity. Any notice of redemption shall be cancelled and annulled if for any reason funds will not be or are not available on the date so fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default hereunder. The School District and the Fiscal Agent shall have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Fiscal Agent shall mail notice of such recession of redemption in the same manner as the original notice of redemption.

If less than all the Bonds Outstanding are to be redeemed, the portion of any Bond of a denomination of more than \$5,000 to be redeemed shall be in the principal amount of \$5,000 or a multiple thereof, and, in selecting portions of such Bonds for redemption, the Fiscal Agent shall treat each such Bond as representing the number of Bonds of \$5,000 denominations which is obtained by dividing the principal amount of such Bond to be redeemed in part by \$5,000.

Whenever provision is made in this Agreement for the redemption of less than all of the Bonds of a maturity or any given portion thereof, the Fiscal Agent shall select the Bonds of such maturity to be redeemed, from all Bonds of such maturity or such given portion thereof not previously called for redemption, by lot within a maturity in any manner which the Fiscal Agent in its sole discretion shall deem appropriate.

Upon surrender of Bonds redeemed in part only, the School District shall execute and the Fiscal Agent shall authenticate and deliver to the Owner, at the expense of the District, a new Bond or Bonds, of the same maturity, of authorized denominations in an aggregate principal amount equal to the unredeemed portion of the Bond or Bonds.

(F) Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the redemption prices of the Bonds called for redemption shall have been deposited in the Bond Fund, such Bonds shall cease to be entitled to any benefit under this Agreement other than the right to receive payment of the redemption price, and interest shall cease to accrue on the Bonds to be redeemed on the redemption date specified in the notice of redemption.

All Bonds redeemed and purchased by the Fiscal Agent pursuant to this Section 2.03 shall be canceled by the Fiscal Agent.

Section 2.04. Form of Bonds. The Bonds, including the Fiscal Agent's certificate of authentication and the assignment to appear thereon, shall be substantially in the forms set forth in Exhibit A attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions as permitted or required by this Agreement.

Section 2.05. Execution of Bonds. The Bonds shall be executed on behalf of the District by the facsimile signatures of the President and the Secretary of the Board of Education, who are in office on the date of this Agreement or at any time thereafter. If any officer whose signature appears on any Bond ceases to be such officer before delivery of the Bond to the Owner, such

signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the Bond to the Owner. Any Bond may be signed and attested on behalf of the District by such persons as at the actual date of the execution of such Bond shall be the proper officers of the School District although at the nominal date of such Bond any such person shall not have been such officer of the School District.

Only such Bonds as shall bear thereon a certificate of authentication in substantially the form set forth in Exhibit A hereto, as appropriate, manually executed and dated by the Fiscal Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Agreement, and such certificate of authentication of the Fiscal Agent shall be conclusive evidence that such Bonds have been duly authenticated, registered and delivered hereunder, and are entitled to the benefits of this Agreement.

Section 2.06. Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, upon the books required to be kept pursuant to the provisions of Section 2.08 hereof, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation at the Principal Office of the Fiscal Agent, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Fiscal Agent. The cost for any services rendered or any expenses incurred by the Fiscal Agent in connection with any such transfer shall be paid by the District. The Fiscal Agent shall collect from the Owner requesting transfer of a Bond any tax or other governmental charge required to be paid with respect to such transfer.

Whenever any Bond or Bonds shall be surrendered for transfer, the School District shall execute and the Fiscal Agent shall authenticate and deliver a new Bond or Bonds of like aggregate principal amount.

No transfers of Bonds shall be required to be made (i) during the fifteen (15) days preceding the date established by the Fiscal Agent for selection of Bonds for redemption, or (ii) with respect to Bonds which have been selected for redemption.

Section 2.07. Exchange of Bonds. Bonds may be exchanged at the Principal Office of the Fiscal Agent only for a like aggregate principal amount of Bonds of authorized denominations and of the same maturity and interest rate. The cost for any services rendered or any expense incurred by the Fiscal Agent in connection with any such exchange shall be paid by the District. The Fiscal Agent shall collect from the Owner requesting exchange of a Bond any tax or other governmental charge required to be paid with respect to such exchange.

No exchanges of Bonds shall be required to be made (i) during the fifteen (15) days preceding the date established by the Fiscal Agent for selection of Bonds for redemption, or (ii) with respect to Bonds which have been selected for redemption.

Section 2.08. Bond Register. The Fiscal Agent shall keep, or cause to be kept, at its Principal Office sufficient books for the registration and transfer of the Bonds which books shall show the series, number, CUSIP identification number, date of issuance, amount, rate of interest and Owner of each Bond and shall at all times be open to inspection by the School District during regular business hours upon reasonable notice; and, upon presentation for such purpose,

the Fiscal Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, the ownership of the Bonds as hereinbefore provided.

Section 2.09. Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the School District, and may contain such reference to any of the provisions of this Agreement as may be appropriate. Every temporary Bond shall be executed by the School District upon the same conditions and in substantially the same manner as the definitive Bonds. If the School District issues temporary Bonds it will execute and furnish definitive Bonds without delay and thereupon the temporary Bonds shall be surrendered, for cancellation, in exchange for the definitive Bonds at the Principal Office of the Fiscal Agent or at such other location as the Fiscal Agent shall designate, and the Fiscal Agent shall authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations. Until so exchanged, the temporary Bonds shall be entitled to the same benefits under this Agreement as definitive Bonds authenticated and delivered hereunder.

Section 2.10. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the School District, at the expense of the Owner of said Bond, shall execute, and the Fiscal Agent shall authenticate and deliver, a replacement Bond of like tenor and principal amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Fiscal Agent of the Bond so mutilated. Every mutilated Bond so surrendered to the Fiscal Agent shall be canceled and destroyed by the Fiscal Agent. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Fiscal Agent and, if such evidence be satisfactory to it and indemnity satisfactory to it shall be given, the School District, at the expense of the Owner, shall execute, and the Fiscal Agent shall authenticate and deliver, a replacement Bond of like tenor and principal amount in lieu of and in substitution for the Bond so lost, destroyed or stolen. The School District or Fiscal Agent may require payment of a sum not exceeding the actual cost of preparing each replacement Bond delivered under this Section 2.10 and of the expenses which may be incurred by the School District and the Fiscal Agent for the preparation, execution, authentication and delivery thereof. Any Bond delivered under the provisions of this Section 2.10 in replacement of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation of the District whether or not the Bond so alleged to be lost, destroyed or stolen is at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Agreement with all other Bonds issued pursuant to this Agreement.

Section 2.11. Special Obligation. All obligations of the School District and the District under this Agreement and the Bonds shall be special obligations of the School District and the District, payable solely from the Special Tax Revenues and the funds pledged therefor pursuant hereto. Neither the faith and credit nor the taxing power of the School District, the District (except to the limited extent set forth herein) or the State of California or any political subdivision thereof is pledged to the payment of the Bonds.

Section 2.12. Parity Bonds and Subordinate Bonds. The School District will not issue Parity Bonds or Subordinate Bonds of the District for any purpose other than the defeasance and

redemption of all or a portion of the Outstanding Bonds or Parity Bonds, which issue results in a lower debt service to maturity than the Bonds. The Bonds shall only be refunded if a corresponding amount of Authority Bonds are refunded.

So long as any Insured Bonds remain Outstanding pursuant to the Indenture or any amounts are owed to the Insurer by the District, the District shall not issue or incur indebtedness payable from or secured in whole or in part by the Special Tax Revenues that (i) bears interest at other than fixed rates or (ii) permits the holder to tender such indebtedness for purchase prior to the stated maturity thereof, in either case without the prior written consent of the Insurer.

ARTICLE III

ISSUANCE OF BONDS; APPLICATION OF PROCEEDS; SPECIAL TAX FUND; ADMINISTRATIVE EXPENSE FUND; COSTS OF ISSUANCE FUND

Section 3.01. Issuance and Delivery of Bonds. At any time after the execution of this Agreement, the School District may issue the Bonds for the District in the aggregate principal amounts set forth in Section 2.01 hereof and deliver the Bonds to the Original Purchaser. The Authorized Officers of the School District are hereby authorized and directed to deliver any and all documents and instruments necessary to cause the issuance of the Bonds in accordance with the provisions of the Act, the Resolution and this Agreement, to authorize the payment of Costs of Issuance by the Fiscal Agent from the proceeds of Bonds, and to do and cause to be done any and all acts and things necessary or convenient for delivery of the Bonds to the Original Purchaser.

Section 3.02. Application of Proceeds of Sale of Bonds. The Proceeds of the sale of the Bonds to the Original Purchaser shall be paid to the Fiscal Agent, who shall forthwith set aside, pay over and deposit such Proceeds on the Closing Date as follows:

(A) Deposit in the Reserve Fund the amount of \$_____, the Authority Bonds Reserve Fund Proportionate Share as of the Closing Date;

(B) Deposit in the Costs of Issuance Fund the amount of \$_____;
and

[(C) Transfer \$_____ for deposit in the Improvement Fund.]

Such amounts represent all proceeds of the Refunded Bonds, as defined in the Escrow Agreement, transferred by the fiscal agent thereof from the Improvement Fund for the Refunded Bonds; and

(D) The Fiscal Agent shall transfer the remaining Proceeds of the Bonds in the amount of \$_____ to the Escrow Agent for deposit in the Escrow Fund pursuant to the Escrow Agreement.

Section 3.03. Special Tax Fund.

(A) Creation of Special Tax Fund. There is hereby established, as a separate account to be held by the Fiscal Agent, the “Community Facilities District No. ___ of Riverside Unified School District 2015 Special Tax Bonds Special Tax Fund” to the credit of which the School District shall deposit, within ten (10) Business Days after receipt, the Special Tax Revenues received by the School District. There is hereby also established in the Special Tax Fund, as a separate account, to be held by the Fiscal Agent, the “Surplus Account” to the credit of which amounts shall be deposited as provided in Section 3.04(B) and in Section 4.02(B) hereof. Moneys in the Special Tax Fund shall be held in trust by the Fiscal Agent for the benefit of the School District and the Owners of the Bonds, shall be disbursed as provided below and, pending disbursement, shall be subject to a lien in favor of the Owners of the Bonds.

Notwithstanding the foregoing, any amounts received by the School District which constitute Special Tax Prepayments shall be transferred by the School District immediately upon receipt to the Fiscal Agent for deposit by the Fiscal Agent in the Special Tax Prepayments Account established pursuant to Section 4.02(A) hereof.

(B) Deposit of Amounts Received from the Authority Trustee. Upon receipt of moneys from the Authority Trustee pursuant to Section 4.02(d) of the Authority Indenture and instructions from the School District in an Officer's Certificate, upon which the Fiscal Agent may conclusively rely, the Fiscal Agent shall deposit in the Surplus Account the amount of such moneys specified in such Officer's Certificate for deposit in the Surplus Account. The School District shall apply the amount deposited in the Surplus Account as a credit to the annual installments of the Special Taxes for the then current Fiscal Year.

(C) Disbursements. As soon as practicable after the receipt from the School District of any Special Tax Revenues, but no later than ten (10) Business Days after such receipt, the Fiscal Agent shall withdraw from the Special Tax Fund and deposit in the Administrative Expense Fund the Priority Administrative Expense Amount. Thereafter, on or before each Interest Payment Date, the Fiscal Agent shall deposit in the Interest Account and the Principal Account of the Bond Fund the amounts required to pay the interest on and principal of the Bonds on such Interest Payment Date, as provided in Section 4.02(B) hereof. If after such deposits are made to the Administrative Expense Fund, the Interest Account and the Principal Account there are funds remaining on deposit in the Special Tax Fund (including the Surplus Account), the School District shall instruct the Fiscal Agent by a written communication from an Authorized Officer (upon which the Fiscal Agent may conclusively rely) to transfer such amount from the Special Tax Fund (including the Surplus Account) to and transferred to the Authority Trustee to restore the Authority Bonds Reserve Fund to the Reserve Requirement if the District is a Delinquent District pursuant to Section 4.03(F) hereof. Such written communication shall specify the amount which is to be transferred from the Special Tax Fund (including the Surplus Account) to the Authority Trustee.

On or before the March 1 Interest Payment Date in each Bond Year, if the amount of other moneys which is on deposit in the Special Tax Fund is less than the amount of the interest on the Bonds which is due on such Interest Payment Date, the Fiscal Agent shall transfer moneys from the Surplus Account, to the extent of moneys on deposit therein and available for transfer,

to and deposit such moneys in the Interest Account of the Bond Fund in an amount not to exceed the deficiency in the amount of other moneys which are on deposit in the Special Tax Fund, and available for transfer, to pay the full amount of the interest on the Bonds which is due and payable on such Interest Payment Date. On or before the September 1 Interest Payment Date in each Bond Year, if the amount of moneys which is on deposit in the Special Tax Fund is less than the amount of the interest on and principal of the Bonds which is due on such Interest Payment Date, the Fiscal Agent shall transfer moneys from the Surplus Account, to the extent of moneys on deposit therein and available for transfer, to and deposit such moneys in the Interest Account and the Principal Account in amounts not to exceed the amount of the deficiency in the amount of other moneys which are on deposit in the Special Tax Fund, and available for transfer, to pay the full amount of the interest on and principal of the Bonds which is due and payable on such Interest Payment Date.

(D) Investment. Moneys in the Special Tax Fund shall be invested and deposited in accordance with Section 6.01 hereof. Investment Earnings shall be retained in the Special Tax Fund to be used for the purposes of such accounts.

Section 3.04. Administrative Expense Fund.

(A) Creation of Administrative Expense Fund. There is hereby established, as a separate account to be held by the Fiscal Agent, the “Community Facilities District No. ___ of Riverside Unified School District 2015 Special Tax Bonds Administrative Expense Fund” to the credit of which deposits shall be made as required by Section 3.03(C) hereof. Moneys in the Administrative Expense Fund shall be held in trust by the Fiscal Agent for the benefit of the School District, and shall be disbursed as provided below.

(B) Disbursement. Amounts in the Administrative Expense Fund shall be withdrawn by the Fiscal Agent and paid to the School District or its order upon receipt by the Fiscal Agent of an Officer’s Certificate stating the amount to be withdrawn, that such amount is to be used to pay an Administrative Expense (or a Cost of Issuance) and the nature of such Administrative Expense (or Cost of Issuance).

Annually, not later than the last day of each Fiscal Year, the Fiscal Agent shall withdraw any amount then remaining in the Administrative Expense Fund that has not been allocated by an Officer’s Certificate received by the Fiscal Agent from the School District to pay Administrative Expenses which are expected to be incurred in the succeeding Fiscal Year prior to the receipt by the School District of Special Tax Revenues for such succeeding Fiscal Year and transfer such amount to the Surplus Account.

(C) Investment. Subject to the provisions of subsection (B) above, moneys in the Administrative Expense Fund shall be invested and deposited in accordance with Section 6.01 hereof. Investment Earnings shall be retained by the Fiscal Agent in the Administrative Expense Fund to be used for the purposes of such fund.

Section 3.05. Costs of Issuance Fund.

(A) Creation of Costs of Issuance Fund. There is hereby established, as a separate account to be held by the Fiscal Agent, the “Community Facilities District No. ___ of Riverside

Unified School District Special Tax Bonds Costs of Issuance Fund” to the credit of which a deposit shall be made as required by paragraph (B) of Section 3.02 hereof. Moneys in the Cost of Issuance Fund shall be held in trust by the Fiscal Agent and shall be disbursed as provided in subsection (B) of this Section for the payment or reimbursement of Costs of Issuance.

(B) Disbursement. Amounts in the Costs of Issuance Fund shall be disbursed to pay Costs of Issuance, as set forth in a requisition containing respective amounts to be paid to the designated payees, signed by an Authorized Officer and delivered to the Fiscal Agent on the Closing Date. The Fiscal Agent shall pay all Costs of Issuance upon receipt of an invoice from any such payee which requests payment in an amount which is less than or equal to the amount set forth with respect to such payee in such requisition, or upon receipt of an Officer’s Certificate requesting payment of a Cost of Issuance not listed on the initial requisition delivered to the Fiscal Agent on the Closing Date. The Fiscal Agent shall maintain the Costs of Issuance Fund for a period of ninety (90) days from the Closing Date and shall then transfer and deposit any moneys remaining therein, including any Investment Earnings thereon, to the Special Tax Fund.

(C) Investment. Moneys in the Costs of Issuance Fund shall be invested and deposited in accordance with Section 6.01 hereof. Investment Earnings shall be retained by the Fiscal Agent in the Cost of Issuance Fund to be used for the purposes of such fund.

(D) Transfer of Costs of Issuance Fund to Authority Trustee. Notwithstanding any provisions of this Section 3.05 to the contrary, on the Closing Date, the Fiscal Agent shall transfer to the Authority Trustee the amount on deposit in the Costs of Issuance Fund for deposit in the Costs of Issuance Fund with respect to the Authority Bonds as provided in Section 4.09 of the Authority Indenture. The Authority Trustee shall thereafter maintain, administer and use the amounts so transferred to the Authority Bonds Costs of Issuance Fund as provided in said section of the Authority Indenture, and the amounts transferred to the Authority Bonds Costs of Issuance Fund shall thereafter be used for the payment of the Costs of Issuance (as defined herein) and as also provided in said section of the Authority Indenture. Upon the transfer of the amount on deposit in the Costs of Issuance Fund to the Authority Trustee, the provisions of subsections (A), (B) and (C) of this Section 3.05 shall be inapplicable and the Fiscal Agent shall be relieved of performance pursuant to such subsections.

Section 3.06. Improvement Fund.

(A) Establishment of Improvement Fund. There is hereby established the “Improvement Fund.” Moneys in the Improvement Fund shall be held by the Fiscal Agent. There is hereby established, as a separate fund to be held by the Fiscal Agent, the “Community Facilities District No. ___ of Riverside Unified School District Special Tax Bonds Improvement Fund.” There are hereby established as separate accounts in the Improvement Fund, to be held by the Fiscal Agent, the “School District Facilities Account,” and the “School District Facilities Account.” Deposits shall be made in the School District Facilities Account and the School District Facilities Account as required by paragraph (C) of Section 3.02 hereof. Moneys in the Improvement Fund, and all accounts therein, shall be held by the Fiscal Agent for the benefit of the School District and the School District, as provided below, and shall be disbursed, except as otherwise provided in subsection (D) of this Section 3.06, for the payment or reimbursement of the costs of the design, acquisition and construction of the Facilities, as provided below.

(B) Procedure for Disbursement.

Disbursements from the School District Facilities Account shall be made by the Fiscal Agent upon receipt of an Officer's Certificate which shall:

(a) be identified as a payment requisition and be sequentially numbered, i.e., "Requisition No. __," except that no numbering shall be required if the Officer's Certificate is a requisition for the full amount on deposit in the Improvement Fund;

(b) set forth the amount required to be disbursed, the purpose for which the disbursement is to be made and the person to which the disbursement is to be paid; and

(c) certify that no portion of the amount then being requested to be disbursed was set forth in any Officer's Certificate previously filed with the Fiscal Agent requesting disbursement, and that the amount being requested is an appropriate disbursement from the Improvement Fund.

(C) Investment. Moneys in the Improvement Fund and each account therein shall be invested and deposited in accordance with Section 6.01 of the Agreement. Investment Earnings shall be retained by the Fiscal Agent in the Improvement Fund to be used for the purposes of such account.

(D) Closing of Fund. Upon the filing of an Officer's Certificate stating that the portions of the Project which are to be financed with the moneys on deposit in the Improvement Fund have been completed and that all costs of such portions of the Project have been paid or are not required to be paid from the Improvement Fund, and further stating that moneys on deposit in the Improvement Fund are not needed to complete such portions of the project or reimburse the cost thereof, the Fiscal Agent shall transfer the amount, if any, remaining in the Improvement Fund to the Principal Account of the Bond Fund to be used to pay the principal of the Bonds.

(E) Officer's Certificate. Upon receipt of an Officer's Certificate, the Fiscal Agent is authorized to act thereon without further inquiry and shall not be responsible for the accuracy of the statements made in such Officer's Certificate or the application of the funds disbursed pursuant thereto, and shall be absolutely protected and incur no liability in relying on such Officer's Certificate.

ARTICLE IV

SPECIAL TAX REVENUES; BOND FUND; RESERVE FUND

Section 4.01. Pledge of Special Tax Revenues. The Bonds (including any Parity Bonds that may be issued) shall be secured by a first and prior pledge of and lien upon (which shall be perfected in the manner and to the extent herein provided) all of the Special Tax Revenues, except the Priority Administrative Expense Amount, all moneys on deposit in the Principal Account and the Interest Account of the Bond Fund, all moneys on deposit in the Surplus

Account of the Special Tax Fund, the Special Tax Prepayments Account for the purpose of redeeming Bonds, and all moneys on deposit in the Reserve Fund: provided, however, that after the amount initially deposited in the Reserve Fund is transferred to the Authority Trustee, as provided in Section 4.03(E) hereof, the Bonds shall only be secured by the Reserve Fund to the extent specifically provided by Section 4.03 of the Authority Indenture. The Bonds (including any Parity Bonds that may be issued) shall be equally secured by a pledge of and lien upon the Special Tax Revenues and such moneys without priority for number, date of Bond, date of execution or date of delivery; and the payment of the interest on and principal of the Bonds (including any Parity Bonds that may be issued) and any premium upon the redemption of any thereof shall be and is secured by a first and prior pledge of and lien upon the Special Tax Revenues and such moneys. The Special Tax Revenues and all moneys on deposit in such funds and accounts are hereby dedicated in their entirety to the payment of the principal of the Bonds (including any Parity Bonds that may be issued), and interest and any premium on, the Bonds (including any Parity Bonds that may be issued), as provided herein and in the Act, until all of the Bonds (including any Parity Bonds that may be issued) have been paid and retired or until moneys or Defeasance Securities have been set aside irrevocably for that purpose in accordance with Section 9.03 hereof. If Parity Bonds are issued for the purpose of discharging the indebtedness of a portion of the Outstanding Bonds pursuant to Section 9.03 hereof, the provisions of this Section 4.01 shall apply to such Parity Bonds to the same extent and with the same effect as they apply to the Bonds.

Section 4.02. Bond Fund.

(A) Deposits. There is hereby established, as a separate account to be held by the Fiscal Agent, the “Community Facilities District No. ___ of Riverside Unified School District Special Tax Bonds Bond Fund” to the credit of which deposits shall be made as required by Section 3.03(C) and Section 4.03 hereof and any other provision of this Agreement or the Act. There are hereby established in the Bond Fund, as separate accounts to be held by the Fiscal Agent, the “Interest Account” and the “Principal Account.” There is hereby also established in the Bond Fund, as a separate account to be held by the Fiscal Agent, the “Special Tax Prepayments Account” to the credit of which deposits shall be made as required by Section 3.03(A) hereof and paragraph (2) of subsection (B) below. Moneys in the Bond Fund shall be held in trust by the Fiscal Agent for the benefit of the Owners of the Bonds, shall be disbursed for the payment of the principal of, and interest and any premium on, the Bonds as provided below, and, pending such disbursement, shall be subject to a lien in favor of the Owners of the Bonds.

(B) Disbursements.

(1) Bond Fund Disbursements. Not later than five (5) Business Days before each Interest Payment Date, the Fiscal Agent shall transfer from the Special Tax Fund (including the Surplus Account) and deposit into the following respective accounts in the Bond Fund the following amounts in the following order of priority, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of Special Tax Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

(a) Interest Account. Not later than five (5) Business Days before each Interest Payment Date, the Fiscal Agent shall deposit in the Interest Account the amount required to cause the aggregate amount on deposit in the Interest Account to equal the amount of interest becoming due and payable on the Bonds on such date. No deposit need be made into the Interest Account on any Interest Payment Date if the amount on deposit therein is at least equal to the interest becoming due and payable on the Bonds on such date. All moneys in the Interest Account shall be used and withdrawn by the Fiscal Agent solely for the purpose of paying the interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds redeemed prior to maturity). All amounts on deposit in the Interest Account on the first day of any Bond Year, to the extent not required to pay any interest then having become due and payable on the Outstanding Bonds, shall be withdrawn therefrom by the Fiscal Agent and transferred to the Surplus Account.

(b) Principal Account. Not later than five (5) Business Days before each Interest Payment Date which occurs on September 1, the Fiscal Agent shall deposit in the Principal Account the amount required to cause the aggregate amount on deposit in the Principal Account to equal the principal amount of the Bonds becoming due and payable on such Interest Payment Date pursuant to Section 2.02 hereof, or the redemption price of the Bonds (consisting of the principal amount thereof and any applicable redemption premium) required to be redeemed on such date pursuant to any of the provisions of Section 2.03 hereof. All moneys in the Principal Account shall be used and withdrawn by the Fiscal Agent solely for the purpose of (i) paying the principal of the Bonds at the maturity thereof, or (ii) paying the principal of and premium (if any) on any Bonds upon the redemption thereof pursuant to Section 2.03 hereof. All amounts on deposit in the Principal Account on the first day of any Bond Year (i.e., September 2), to the extent not required to pay the principal of any Outstanding Bonds then having become due and payable on the Outstanding Bonds shall be withdrawn therefrom by the Fiscal Agent and transferred to the Surplus Account.

Notwithstanding the provisions of paragraphs (a) and (b) above, so long as the Authority is the Owner of the Outstanding Bonds, the Fiscal Agent shall immediately upon depositing an amount in the Interest Account or the Principal Account or in both such accounts, as provided in such paragraphs, pay to the Authority Trustee the amount of the Debt Service on the Bonds which is due on the succeeding Interest Payment Date. The Fiscal Agent shall notify the Authority Trustee at least five Business Days prior to each Interest Payment Date if sufficient moneys are not on deposit with the Fiscal Agent, after making all transfers required under this section, to pay interest and principal coming due on the Bonds on the next Interest Payment Date.

On the first Business Day following each Interest Payment Date, the Fiscal Agent shall transfer any moneys remaining on deposit in the Bond Fund (including the Interest Account and the Principal Account) other than moneys on deposit in the Special Tax Prepayments Account, to the Surplus Account.

In the event that moneys on deposit in the Special Tax Fund, including moneys on deposit in the Surplus Account, will be insufficient on any Interest Payment Date for the Fiscal Agent to deposit the required amounts in the Interest Account and the Principal Account, as provided above, the Fiscal Agent shall deposit the available funds first to the Interest Account up to the full amount required to cause the aggregate amount on deposit therein to equal the amount of interest becoming due and payable on the Bonds on the Interest Payment Date, and shall then deposit the remaining available funds in the Special Tax Fund, including funds on deposit in the Surplus Account, to the Principal Account up to the full amount required to cause the aggregate amount on deposit therein to equal the amount, if any, of principal becoming due and payable on the Bonds on the Interest Payment Date. If, after making such deposits to the Interest Account and the Principal Account, and after transferring moneys from the Reserve Fund to such accounts, as provided in Section 4.03(B) hereof, the amount on deposit in the Principal Account is insufficient to pay the full amount of the principal of each of the Bonds which is to be redeemed on the Interest Payment Date, the Fiscal Agent shall make a prorated payment of the principal of each of such Bonds as specified in an Officer's Certificate provided to the Fiscal Agent.

In the event that moneys on deposit in the Special Tax Fund, including moneys on deposit in the Surplus Account, will be insufficient on any Interest Payment Date for the Fiscal Agent to deposit the required amounts in the Interest Account and Principal Account as provided above, the Fiscal Agent shall promptly notify the Authority Trustee thereof so that the Authority Trustee may timely withdraw moneys from the Authority Bonds Reserve Fund to pay Debt Service on the Authority Bonds.

(2) Special Tax Prepayments Account Deposits and Disbursements. Within ten (10) Business Days after receiving a Special Tax Prepayment, the School District shall deliver the amount thereof to the Fiscal Agent, together with an Officer's Certificate notifying the Fiscal Agent that the amount being delivered is a Special Tax Prepayment which is to be deposited in the Special Tax Prepayments Account. Upon receiving a Special Tax Prepayment from the School District and such an Officer's Certificate, the Fiscal Agent shall (i) deposit the amount of the Special Tax Prepayment in the Special Tax Prepayments Account, and (ii) promptly deliver a copy of such Officer's Certificate to the Authority Trustee for appropriate action by the Authority Trustee pursuant to Section 4.03 of the Authority Indenture. Such an Officer's Certificate may be combined with the Officer's Certificate which the School District is required to deliver to the Fiscal Agent pursuant to Section 4.03(F) hereof. A portion of the moneys on deposit in the Special Tax Prepayments Account shall be transferred by the Fiscal Agent, upon receipt of an Officer's Certificate directing such transfer and specifying the amount to be transferred (upon which the Fiscal Agent may conclusively rely), to the Principal Account on the next date for which notice of the redemption of the Bonds can timely be given under Section 2.03(G) hereof and shall be used to redeem the Bonds on the redemption date selected in accordance with Section 2.03(B) hereof. The portion of the moneys on deposit in the Special Tax Prepayments Account representing funded interest on a portion of the Outstanding Bonds shall be transferred by the Fiscal Agent, upon receipt of an Officer's Certificate directing such transfer and specifying the amount to be transferred (upon which the Fiscal Agent may conclusively rely), to the Interest Account

on or before each Interest Payment Date prior to and including the Interest Payment Date on which the redemption of such Bonds will occur. Pending such transfers, the moneys on deposit in the Special Tax Prepayments Account shall be invested in Permitted Investments of such type and at such yield as Bond Counsel may determine is necessary to preserve the exclusion of interest on the Bonds from gross income for purposes of federal income taxation. Investment Earnings from such Permitted Investments shall be retained by the Fiscal Agent in the Special Tax Prepayments Account.

(C) Investment. Moneys in the Bond Fund, including all accounts therein, shall be invested and deposited in accordance with Section 6.01 hereof. Investment Earnings shall be retained in the Bond Fund, except to the extent they are required to be deposited by the Fiscal Agent in the Rebate Fund in accordance with Section 6.02 hereof. Investment earnings with respect to moneys in the Special Tax Prepayments Account shall be retained therein as specified in paragraph (2) of subsection (B) above.

Section 4.03. Reserve Fund.

(A) Creation of Fund. There is hereby established, as a separate account to be held by the Fiscal Agent, the “Community Facilities District No. ___ of Riverside Unified School District Special Tax Bonds Reserve Fund” to the credit of which a deposit shall be made as required by paragraph (A) of Section 3.02 hereof, which deposit is equal to the Authority Bonds Reserve Fund Proportionate Share, and to which deposits shall be made as provided in Section 3.04(B) hereof. Moneys in the Reserve Fund shall be held in trust by the Fiscal Agent for the benefit of the Owners of the Bonds as a reserve for the payment of the principal of and interest and any premium on the Bonds and shall be subject to a lien in favor of the Owners of the Bonds.

(B) Use of Fund. Except as otherwise provided in this Section, all amounts on deposit in the Reserve Fund shall be used and withdrawn by the Fiscal Agent solely for the purpose of making transfers to the Interest Account and the Principal Account of the Bond Fund in the event of any deficiency at any time in either of such accounts of the amount then required for payment of the principal of and interest and any premium on the Bonds or, in accordance with the provisions of subsection (D) and subsection (G) of this Section 4.03, for the purpose of redeeming Bonds.

(C) Transfer Due to Deficiency in Interest and Principal Accounts. Whenever transfer is made from the Reserve Fund to the Interest Account or the Principal Account due to a deficiency in either such account, the Fiscal Agent shall provide written notice thereof to the School District.

(D) Transfer When Balance Exceeds Outstanding Bonds or Upon Final Maturity of Bonds. Whenever the balance in the Reserve Fund is equal to or exceeds the amount required to redeem or pay the Outstanding Bonds, including interest accrued to the date of payment or redemption and premium, if any, due upon redemption, the Fiscal Agent shall, upon receiving written direction from an Authorized Officer (upon which the Fiscal Agent may conclusively rely), transfer the amount in the Reserve Fund to the Interest Account and the Principal Account to be applied, on the next succeeding Interest Payment Date, to the payment and redemption, in accordance with Section 2.03 and Section 4.02 hereof, as applicable, of all of the Outstanding

Bonds. In the event that the amount available to be so transferred from the Reserve Fund to the Interest Account and the Principal Account exceeds the amount required to pay and redeem the Outstanding Bonds, the excess shall be transferred to the School District to be used for any lawful purpose of the School District. On September 2 prior to the final maturity of the Bonds on the following September 1, the Fiscal Agent shall credit the Authority Bonds Reserve Fund Proportionate Share to the Bond Fund established hereunder as a credit toward the payment of the principal of and interest on the Bonds. Such amounts shall be transferred to the Revenue Fund held by the Trustee under the Authority Indenture and applied as set forth in Section 4.03(b)(4) of the Authority Indenture.

(E) Transfer of Reserve Fund to Authority Trustee. Notwithstanding any provisions of this Section 4.03 to the contrary, on the Closing Date, the Fiscal Agent shall transfer to the Authority Trustee the amount on deposit in the Reserve Fund for deposit in the Authority Bonds Reserve Fund as provided in Section 4.03 of the Authority Indenture. The Authority Trustee shall thereafter maintain, administer and use the amounts so transferred to the Authority Bonds Reserve Fund as provided in said section of the Authority Indenture, and the amounts transferred to the Authority Bonds Reserve Fund shall thereafter be pledged as security for the payment of the Authority Bonds as also provided in said section of the Authority Indenture. Upon the transfer of the amount on deposit in the Reserve Fund to the Authority Trustee and as long as the Authority is the Owner of the Bonds, the provisions of subsections (A), (B), (C), (D) and (G) of this Section 4.03 shall be inapplicable and the Fiscal Agent shall be relieved of performance pursuant to such subsections; provided, however, that the Special Tax Consultant shall credit the District with the Authority Bonds Reserve Fund Proportionate Share when determining the special taxes to be levied in the District prior to the final year of payment on the Bonds and such amount shall be transferred as set forth in (D) above.

(F) Restoration of Amounts Withdrawn From Reserve Fund. Upon receiving a written notification from the Authority Trustee pursuant to subsection (b) of Section 4.03 of the Authority Indenture regarding an amount withdrawn from the Authority Bonds Reserve Fund, and if the District is a Delinquent District (as defined in subsections (b) Section 4.03 of the Authority Indenture), the School District shall be obligated to restore the Authority Bonds Reserve Fund Proportionate Share from the collection of delinquent installments of the Special Taxes levied on parcels in the District for which such installments are delinquent, and penalties and interest thereon, whether by judicial foreclosure proceedings or otherwise, within five (5) Business Days following the receipt by the School District of such delinquent installments, penalties and interest. Upon receipt of any such delinquent installments of the Special Taxes, penalties and interest, the School District shall, notwithstanding the provisions of Section 3.03(C) hereof, pay to the Authority Trustee therefrom, to the extent thereof, the amount required to restore the Authority Bonds Reserve Fund Proportionate Share of the amount withdrawn from the Authority Bonds Reserve Fund, as appropriate.

Upon receiving such a notification from the Authority Trustee, and if the District is a Delinquent District, the School District shall also be obligated, under the conditions and subject to the limitations specified in Section 5.07 hereof, to include in the levy of the Special Taxes for the next Fiscal Year the amount required to restore the Authority Bonds Reserve Fund Proportionate Share of the amount withdrawn from the Authority Bonds Reserve Fund. Upon receiving Special Tax Revenues which include such amounts, the School District shall pay such

amounts to the Authority Trustee for deposit in the Authority Bonds Reserve Fund, as appropriate.

(G) Transfers on Payment of Special Tax Obligations. Whenever the School District receives a Special Tax Prepayment for a lot or parcel of property within the District, the School District shall by an Officer's Certificate notify the Fiscal Agent thereof and of the amount by which the Reserve Fund (as transferred to the Authority Trustee) is to be reduced and which is transferable from the Reserve Fund to the Principal Account of the Bond Fund, which amount shall be specified in the Officer's Certificate. Each such Officer's Certificate shall be accompanied by a report of an Independent Financial Consultant or the Special Tax Consultant verifying the accuracy of the calculation of the amount to be transferred from the Reserve Fund to the Principal Account ("Verification"). Upon receipt of each such Officer's Certificate and Verification, upon which the Fiscal Agent may conclusively rely, the Fiscal Agent shall promptly deliver a copy thereof to the Authority Trustee for appropriate action by the Authority Trustee pursuant to subsection (b) or subsection (c) of Section 4.03 of the Authority Indenture.

ARTICLE V

OTHER COVENANTS OF THE SCHOOL DISTRICT

Section 5.01. Punctual Payment. The School District will punctually pay or cause to be paid the principal of and interest and any premium on the Bonds when and as due in strict conformity with the terms of this Agreement and any Supplemental Agreement to the extent that the Special Tax Revenues are available therefor, and it will faithfully observe and perform all of the conditions, covenants and requirements of this Agreement and all Supplemental Agreements and of the Bonds.

Section 5.02. Special Obligation. The Bonds are special obligations of the School District and the District and are payable solely from and secured solely by the Special Tax Revenues and the amounts in the Bond Fund, the Reserve Fund and the Special Tax Fund, including the Surplus Account.

Section 5.03. Extension of Time for Payment. In order to prevent any accumulation of claims for interest after maturity, the School District shall not, directly or indirectly, extend or consent to the extension of the time for the payment of any claim for interest on any of the Bonds and shall not, directly or indirectly, be a party to the approval of any such arrangement by purchasing or funding said claims for interest or in any other manner. In case any such claim for interest shall be extended or funded, whether or not with the consent of the School District, such claim for interest so extended or funded shall not be entitled, in case of default hereunder, to the benefits of this Agreement, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest which shall not have been so extended or funded.

Section 5.04. Against Encumbrances. The School District shall not encumber, pledge or place any charge or lien upon any of the Special Tax Revenues or other amounts pledged to the Bonds superior to or on a parity with the pledge and lien herein created for the benefit of the Bonds, except as permitted by this Agreement.

Section 5.05. Books and Accounts. The School District shall keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the School District in which complete and correct entries shall be made of all transactions relating to the expenditure of amounts disbursed from the Administrative Expense Fund. Such books of record and accounts shall at all times during business hours, upon reasonable notice, be subject to the inspection of the Fiscal Agent (which shall have no duty to inspect) and the Owners of not less than ten percent (10%) of the aggregate principal amount of the Bonds then Outstanding, or their representatives duly authorized in writing.

Section 5.06. Protection of Security and Rights of Owners. The School District will preserve and protect the security of the Bonds and the rights of the Owners, and will warrant and defend their rights against all claims and demands of all persons. From and after the delivery of any of the Bonds by the School District, the Bonds shall be incontestable by the School District.

Section 5.07. Collection of Special Tax Revenues. The School District shall comply with all requirements of the Act, including the enactment of necessary Ordinances, so as to assure the timely collection of Special Tax Revenues, including without limitation, the enforcement of the payment or collection of delinquent Special Taxes.

On or within five (5) Business Days of May 1 of each year, the Fiscal Agent shall provide the School District with a notice stating the amount then on deposit in the Special Tax Fund, the Bond Fund and the Reserve Fund. The receipt of such notice by the School District or the failure of the Fiscal Agent to give such notice shall in no way affect the obligations of the School District under the following two paragraphs. The Fiscal Agent shall have no liability if it does not provide such notice to the School District. Upon receipt of such notice, the School District shall communicate with the Auditor to ascertain the relevant parcels on which the Special Taxes are to be levied, taking into account any parcel splits during the preceding and then current Fiscal Year.

The School District shall effect the levy of the Special Taxes each Fiscal Year in accordance with the Act by August 1 of each year (or such later date as may be authorized by the Act or any amendment thereof) that the Bonds are Outstanding, such that the computation of the levy is complete before the final date on which the Auditor will accept the transmission of the Special Tax amounts for the parcels within the District for inclusion on the tax roll for the Fiscal Year then beginning. Upon the completion of the computation of the amounts of the levy of the Special Taxes, the School District shall prepare or cause to be prepared, and shall transmit to the Auditor, such data as the Auditor requires to include the levy of the Special Taxes on the tax roll. Notwithstanding the preceding provisions of this paragraph, the Board of Education may elect, as permitted by the Act, to collect the Special Taxes to be levied for any Fiscal Year directly from the owners of the parcels of taxable property upon which the Special Taxes are levied rather than by transmitting the Special Taxes to the Auditor for collection on the tax roll; provided that, in such event, the School District shall otherwise comply with the provisions of this Section 5.07.

The School District shall fix and levy the amount of Special Taxes within the District required for the payment of the principal of and interest on any Outstanding Bonds becoming due and payable during the ensuing calendar year, including any necessary replenishment or

expenditure of the Reserve Fund, and the amount estimated to be sufficient to pay the Administrative Expenses during such calendar year. In levying the Special Taxes to replenish the Reserve Fund, if the School District receives a written notification from the Authority Trustee pursuant to Section 4.03(b)(1) or Section 4.03(c)(1) of the Authority Indenture that amounts have been withdrawn from the Authority Bonds Reserve Fund to pay debt service on the Authority Bonds and if the School District determines that such amounts were withdrawn as a result of delinquencies in the payment of Special Taxes levied on parcels in the District, the School District shall, to the extent legally permissible, include in the levy of the Special Taxes for the following Fiscal Year, the amount necessary to restore the Authority Bonds Reserve Fund Proportionate Share to the Authority Bonds Reserve Fund, as appropriate. The Special Taxes so levied shall not, in any event, exceed the maximum amounts provided for in the Rates and Method of Apportionment of Special Tax.

The Special Taxes shall be payable and be collected (except in the event of judicial foreclosure proceedings pursuant to Section 5.11 hereof) in the same manner and at the same time and in the same installments as the general taxes on real property are payable, and have the same priority, become delinquent at the same times and in the same proportionate amounts and bear the same proportionate penalties and interest after delinquency as do the general taxes on real property.

The School District will not, in collecting the Special Taxes or in processing any such judicial foreclosure proceedings, exercise any authority which it has pursuant to Sections 53340, 53344.1, 53356.1 and 53356.8 of the California Government Code in any manner which would materially and adversely affect the interests of the Bondowners and, in particular, will not permit the tender of Bonds in full or partial payment of any Special Taxes except upon receipt of a certificate of an Independent Financial Consultant that to accept such tender will not result in the School District having insufficient Special Tax Revenues to pay the principal of and interest on the Bonds remaining Outstanding following such tender.

Section 5.08. Reduction of Maximum Special Tax Rates. The School District covenants that, to the extent that it is legally permitted to avoid doing so, it will not initiate and conduct proceedings to reduce the maximum rates of Special Taxes which are authorized to be levied on taxable parcels of property within the District (the "Maximum Rates").

The School District further covenants that in the event an ordinance is adopted by initiative pursuant to Section 3 of Article XIII C of the California Constitution, which purports to reduce or otherwise alter the Maximum Rates, it will commence and pursue legal action seeking to preserve its ability to comply with its covenant contained in the preceding paragraph.

Section 5.09. Further Assurances. The School District will adopt, make, execute and deliver any and all such further ordinances, resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Agreement, and for better assuring and confirming unto the Owners of the Bonds of the rights and benefits provided in this Agreement.

Section 5.10. Tax Covenants. The School District covenants that:

(A) It will not take any action or omit to take any action, which action or omission, if reasonably expected on the date of the initial issuance and delivery of the Bonds, would have caused any of the Bonds to be “arbitrage bonds” within the meaning of Section 103(b) and Section 148 of the Code;

(B) It will not take any action or omit to take any action, which action or omission, if reasonably expected on the date of initial issuance and delivery of the Bonds, would result in loss of exclusion from gross income for purposes of federal income taxation under Section 103(a) of the Code of interest paid with respect to the Bonds;

(C) It will not take any action or omit to take any action, which action or omission, if reasonably expected on the date of initial issuance and delivery of the Bonds, would have caused any of the Bonds to be “private activity bonds” within the meaning of Section 141 of the Code;

(D) It will comply with the Rebate Certificate as a source of guidance for achieving compliance with the Code; and

(E) In order to maintain the exclusion from gross income for purposes of federal income taxation of interest paid with respect to the Bonds, it will comply with each applicable requirement of Section 103 and Sections 141 through 150 of the Code.

The covenants of the School District contained in this Section 5.10 shall survive the payment, redemption or defeasance of Bonds pursuant to Section 9.03 hereof.

Section 5.11. Covenant to Foreclose. The School District hereby covenants with and for the benefit of the Owners of the Bonds as follows: (i) it will order, and cause to be commenced, judicial foreclosure proceedings against properties in the District with delinquent Special Taxes in excess of \$5,000 by the October 1 following the close of the Fiscal Year in which such Special Taxes were due, and (ii) it will commence judicial foreclosure proceedings against all properties in the District with delinquent Special Taxes by the October 1 following the close of each Fiscal Year in which it receives Special Taxes in an amount which is less than ninety-five percent (95%) of the total Special Taxes levied, and diligently pursue to completion such foreclosure proceedings.

Section 5.12. Prepayment of Special Taxes. The School District shall cause all applications of owners of property in the District to prepay and satisfy the Special Tax obligation for their property to be reviewed by the Special Tax Consultant and shall not accept any such prepayment unless such consultant certifies in writing that the total amount of the Maximum Special Tax for Debt Service and Facilities (as defined in the Rates and Method of Apportionment of Special Tax) that may be levied on Taxable Property both prior to and after the proposed prepayment is and will be at least 1.1 times the amount of Maximum Annual Debt Service on all Outstanding Bonds plus the Priority Administrative Expense Amount. For purposes of this Section, Taxable Property means all parcels of property in the District that are not exempt from the levy of the Special Tax pursuant to the Act or the Rates and Method of Apportionment of Special Tax.

Section 5.13. Calculation of Prepayments. The School District will cause all Special Tax Prepayments to be calculated to include the amount of the premium on the Outstanding Bonds that will be redeemed with the Special Tax Prepayment and negative arbitrage on the investment of the Special Tax Prepayment from the date of receipt until the Interest Payment Date upon which the Special Tax Prepayment and the amount to be transferred from the Reserve Fund to the Principal Account pursuant to Section 4.03(F) hereof will be used to redeem Outstanding Bonds pursuant to Section 2.03(B) hereof. The School District will not include in any calculation of the amount of any Special Tax Prepayment for any parcel of taxable property in the District a proportionate amount of the Authority Bonds Reserve Fund Proportionate Share.

Section 5.14. Rights of Authority Trustee. The School District hereby grants to the Authority Trustee the right to pursue all available remedies at law or in equity to enforce any and all of the covenants, obligations and agreements contained in this Fiscal Agent Agreement.

No grace period for a covenant default shall exceed thirty (30) days or be extended for more than sixty (60) days, without the prior written consent of the Insurer. No grace period shall be permitted for payment defaults.

Section 5.15. Rights of Insurer. [To Come]

ARTICLE VI

INVESTMENTS; DISPOSITION OF INVESTMENT PROCEEDS; LIABILITY OF THE SCHOOL DISTRICT

Section 6.01. Deposit and Investment of Moneys in Funds. Subject in all respects to the provisions of Section 6.02 hereof, moneys in any fund or account created or established by this Agreement and held by the Fiscal Agent shall be invested by the Fiscal Agent in Permitted Investments, as directed pursuant to an Officer's Certificate filed with the Fiscal Agent at least two (2) Business Days in advance of the making of such investments. In the absence of any such Officer's Certificate, the Fiscal Agent shall invest any such moneys in Permitted Investments described in paragraph (iv) of the definition of Permitted Investments in Section 1.03 hereof. The Fiscal Agent shall not have any responsibility for determining the legality of any Permitted Investments. The Fiscal Agent shall have no obligation to pay additional interest or maximize investment income on any funds held by it. Neither the School District nor the Owners of the Bonds shall have any claim of any kind against the Fiscal Agent in connection with investments properly made pursuant to this Section 6.01. Obligations purchased as an investment of moneys in any fund or account shall be deemed to be part of such fund or account, subject, however, to the requirements of this Agreement for transfer of Investment Earnings in funds and accounts.

The Fiscal Agent and its affiliates may act as sponsor, advisor, depository, principal or agent in the holding, acquisition or disposition of any investment. The Fiscal Agent shall not incur any liability for losses arising from any investments made pursuant to this Section 6.01. For purposes of determining the amount on deposit in any fund or account held hereunder, all Permitted Investments credited to such fund or account shall be valued at the cost thereof (excluding accrued interest and brokerage commissions, if any).

Subject in all respects to the provisions of Section 6.02 hereof, investments in any and all funds and accounts may be commingled in a single fund for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in or to the credit of particular funds or accounts of amounts received or held by the Fiscal Agent hereunder, provided that the Fiscal Agent shall at all times account for such investments strictly in accordance with the funds and accounts to which they are credited and otherwise as provided in this Agreement.

The Fiscal Agent shall sell at the highest price reasonably obtainable (provided that the highest of any three bids received by the Fiscal Agent shall be deemed the highest price reasonably obtainable), or present for redemption, any investment security whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such investment security is credited, and the Fiscal Agent shall not be liable or responsible for any loss resulting from the acquisition or disposition of any such investment security in accordance herewith.

The School District acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the School District the right to receive brokerage confirmations of security transactions as they occur, the School District specifically waives receipt of such confirmations to the extent permitted by law. The Fiscal Agent shall furnish the School District period cash transaction statements which include detail for all investment transactions made by the Fiscal Agent hereunder.

The Fiscal Agent may make any investments hereunder through its own bond or investment department or trust investment department, or those of its parent or any affiliate.

Section 6.02. Rebate Fund; Rebate to the United States. There is hereby created, to be held by the Fiscal Agent, as a separate account distinct from all other funds and accounts held by the Fiscal Agent under this Agreement, the Rebate Fund. The Fiscal Agent shall, in accordance with written directions received from an Authorized Officer, deposit into the Rebate Fund moneys transferred by the School District to the Fiscal Agent pursuant to the Rebate Certificate or moneys transferred by the Fiscal Agent from the Bond Fund or the Reserve Fund. The Rebate Fund shall be held either uninvested or invested only in Federal Securities at the written direction of the School District. Moneys on deposit in the Rebate Fund shall be applied only to payments made to the United States, to the extent such payments are required by the Rebate Certificate. The Fiscal Agent shall, upon written request and direction of the School District, make such payments to the United States.

The Fiscal Agent's sole responsibilities under this Section 6.02 are to follow the written instructions of the School District pertaining hereto. The School District shall be responsible for any fees and expenses incurred by the Fiscal Agent pursuant to this Section 6.02.

The Fiscal Agent shall, upon written request and direction from the School District, transfer to or upon the order of the School District any moneys on deposit in the Rebate Fund in excess of the amount, if any, required to be maintained or held therein in accordance with the Rebate Certificate.

Section 6.03. Liability of School District. The School District shall not incur any responsibility in respect of the Bonds or this Agreement other than in connection with the duties or obligations explicitly herein or in the Bonds assigned to or imposed upon it. The School District shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful default. The School District shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions, covenants or agreements of the Fiscal Agent herein or of any of the documents executed by the Fiscal Agent in connection with the Bonds.

In the absence of bad faith, the School District may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the School District and conforming to the requirements of this Agreement. The School District shall not be liable for any error of judgment made in good faith unless it shall be proved that it was negligent in ascertaining the pertinent facts.

No provision of this Agreement shall require the School District to expend or risk its own general funds or otherwise incur any financial liability (other than with respect to the Special Tax Revenues) in the performance of any of its obligations hereunder, or in the exercise of and of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

The School District may rely and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, Bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The School District may consult with counsel, who may be counsel to the School District, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Whenever in the administration of its duties under this Agreement the School District 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 willful misconduct on the part of the School District, be deemed to be conclusively proved and established by a certificate of the Fiscal Agent, and such certificate shall be full warranty to the School District for any action taken or suffered under the provisions of this Agreement or any Supplemental Agreement upon the faith thereof, but in its discretion the School District may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

Section 6.04. Employment of Agents by School District. In order to perform its duties and obligations hereunder, the School District may employ such persons or entities as it deems necessary or advisable. The School District shall not be liable for any of the acts or omissions of such persons or entities employed by it in good faith hereunder, and shall be entitled to rely, and shall be fully protected in doing so, upon the opinions, calculations, determinations and directions of such persons or entities.

ARTICLE VII

THE FISCAL AGENT

Section 7.01. Appointment of Fiscal Agent. U.S. Bank National Association, is hereby appointed Fiscal Agent, registrar and paying agent for the Bonds. The Fiscal Agent undertakes to perform such duties, and only such duties, as are specifically set forth in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Fiscal Agent.

Any company into which the Fiscal 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 Fiscal Agent may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible under the following paragraph of this Section 7.01, shall be the successor to the Fiscal Agent without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

The School District may remove the Fiscal Agent initially appointed, and any successor thereto, and may appoint a successor or successors thereto, but any such successor shall be a bank or trust company having a combined capital (exclusive of borrowed capital) and surplus of at least \$50,000,000, and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section 7.01, the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Fiscal Agent may at any time resign by giving written notice to the School District and by giving to the Owners notice by mail of such resignation. Upon receiving notice of such resignation, the School District shall promptly appoint a successor Fiscal Agent by an instrument in writing. Any resignation or removal of the Fiscal Agent shall become effective upon acceptance of appointment by the successor Fiscal Agent.

If no appointment of a successor Fiscal Agent shall be made pursuant to the foregoing provisions of this Section 7.01 within forty-five (45) days after the Fiscal Agent shall have given to the School District written notice or after a vacancy in the office of the Fiscal Agent shall have occurred by reason of its inability to act, the Fiscal Agent, at the expense of the School District, or any Owner may apply to any court of competent jurisdiction to appoint a successor Fiscal Agent. Said court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor Fiscal Agent.

Section 7.02. Liability of Fiscal Agent. The recitals of facts, covenants and agreements herein and in the Bonds contained shall be taken as statements, covenants and agreements of the School District and the District, and the Fiscal Agent assumes no responsibility for the correctness of the same, nor makes any representations as to the validity or sufficiency of this Agreement or of the Bonds, nor shall the Fiscal Agent incur any responsibility in respect thereof, other than in connection with the duties or obligations herein or in the Bonds assigned to or

imposed upon it. The Fiscal Agent shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct. The Fiscal Agent assumes no responsibility or liability for any information, statement or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of the Bonds.

In the absence of bad faith, the Fiscal Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Fiscal Agent and conforming to the requirements of this Agreement. Except as provided above in this paragraph, the Fiscal Agent shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Agreement, upon any resolution, order, notice, request, consent or waiver, certificate, statement, affidavit, or other paper or document which it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper person or to have been prepared and furnished pursuant to any provision of this Agreement, and the Fiscal Agent shall not be under any duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument.

The Fiscal Agent shall not be liable for any error of judgment made in good faith by the Fiscal Agent unless it shall be proved that the Fiscal Agent was negligent in ascertaining the pertinent facts.

No provision of this Agreement shall require the Fiscal Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers.

The Fiscal Agent shall not be responsible for accounting for, or paying to, any party to this Agreement, including, but not limited to the School District and the Owners, any returns on or benefit from funds held for payment of unredeemed Bonds or outstanding checks and no calculation of the same shall affect, or result in any offset against, fees due to the Fiscal Agent under this Agreement.

The Fiscal Agent shall be under no obligation to exercise any of the rights or powers vested in it by this Agreement at the request or direction of any of the Owners pursuant to this Agreement unless such Owners shall have offered to the Fiscal Agent reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

The Fiscal Agent may become the owner of the Bonds with the same rights it would have if it were not the Fiscal Agent.

All indemnification and releases from liability granted herein to the Fiscal Agent shall extend to the directors, officers and employees of the Fiscal Agent.

Section 7.03. Information. The Fiscal Agent shall provide to the School District such information relating to the Bonds and the funds and accounts maintained by the Fiscal Agent hereunder as the School District shall reasonably request, including, but not limited to, quarterly statements reporting funds held and transactions by the Fiscal Agent.

Section 7.04. Notice to Fiscal Agent. The Fiscal Agent may rely and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, Bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The Fiscal Agent may consult with counsel, who may be counsel to the School District, with regard to legal questions, and the advice or opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Fiscal Agent hereunder in good faith and in accordance therewith.

Whenever in the administration of its duties under this Agreement the Fiscal 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 willful misconduct on the part of the Fiscal Agent, be deemed to be conclusively proved and established by a certificate of the School District, and such certificate shall be full warranty to the Fiscal Agent for any action taken or suffered under the provisions of this Agreement or any Supplemental Agreement upon the faith thereof, but in its discretion the Fiscal Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

Section 7.05. Compensation, Indemnification. The School District shall pay to the Fiscal Agent from time to time reasonable compensation for all services rendered as Fiscal Agent under this Agreement, and also all reasonable expenses, charges, fees and other disbursements, including those of its attorneys, agents and employees, incurred in and about the performance of its powers and duties under this Agreement, and the Fiscal Agent shall have a first priority lien therefor on any funds at any time held by it under this Agreement, and the Fiscal Agent shall pay and reimburse all expenses, charges, fees and other disbursements, including those of its attorneys, agents and employees, incurred in connection therewith from the funds held by it under this Agreement. The School District further agrees, to the extent permitted by applicable law, to indemnify and save the Fiscal Agent, its officers, employees, directors and agents, harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder which are not due to its negligence or willful misconduct. The obligation of the School District under this Section 7.05 shall survive resignation or removal of the Fiscal Agent under this Agreement and payment of the Bonds and discharge of this Agreement.

Section 7.06. Books and Accounts. The Fiscal Agent shall keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Fiscal Agent, in which complete and correct entries shall be made of all transactions made by it and with respect to the expenditure of amounts disbursed from the Bond Fund, the Special Tax Fund, the Administrative Expense Fund, the Reserve Fund and the Cost of Issuance Fund. Such books of record and accounts shall, upon reasonable notice, at all times during business hours be subject to the inspection of the School District and the Owners of not less than ten percent (10%) of the aggregate principal amount of the Bonds then Outstanding, or their representatives duly authorized in writing.

ARTICLE VIII

MODIFICATION OR AMENDMENT OF THIS AGREEMENT

Section 8.01. Amendments Permitted.

(A) This Agreement and the rights and obligations of the District and the School District and of the Owners of the Bonds may be modified or amended at any time by a Supplemental Agreement with either (a) the affirmative vote of the Owners at a meeting of the Owners, or (b) the written consent, without a meeting, of the Owners of at least sixty percent (60%) in aggregate principal amount of the Bonds then Outstanding, exclusive of Bonds disqualified as provided in Section 8.04 hereof. No such modification or amendment shall (i) extend the maturity of any Bond or the time for paying interest thereon, or otherwise alter or impair the obligation of the School District on behalf of the District to pay the principal of, and the interest and any premium on, any Bond, without the express consent of the Owner of such Bond, or (ii) permit the creation of any pledge of or lien upon the Special Tax Revenues, or the moneys on deposit in the Special Tax Fund, the Bond Fund or the Reserve Fund, superior to or on a parity with the pledge and lien created for the benefit of the Bonds (except as otherwise permitted by the Act, the laws of the State of California or this Agreement), (iii) reduce the percentage of Bonds required for the amendment hereof, or (iv) reduce the principal amount of or redemption premium on any Bond or reduce the interest rate thereon. Any such amendment may not modify any of the rights or obligations of the Fiscal Agent without its written consent. The School District shall deliver to the Fiscal Agent an opinion of counsel that any such Supplemental Agreement entered into by the School District and the Fiscal Agent complies with the provisions of this Section 8.01 and the Fiscal Agent may conclusively rely on such opinion.

Any amendment, supplement, modification to, or waiver of, to this Agreement, that requires the consent of owners of the District Bonds or adversely affects the rights and interests of the Insurer shall be subject to the prior written consent of the Insurer.

(B) This Agreement and the rights and obligations of the District and the School District and the Owners may also be modified or amended at any time by a Supplemental Agreement, without the consent of any Owners, only to the extent permitted by law and only for any one or more of the following purposes:

(1) to add to the covenants and agreements of the School District in this Agreement contained, other covenants and agreements thereafter to be observed, or to limit or surrender any right or power herein reserved to or conferred upon the School District;

(2) to make modifications not adversely affecting any Outstanding Bonds in any material respect;

(3) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provisions of this Agreement, or in regard to questions arising under this Agreement, as the School District and the Fiscal

Agent may deem necessary or desirable and not inconsistent with this Agreement, and which shall not adversely affect the rights of the Owners;

(4) to make such additions, deletions or modifications as may be necessary or desirable to assure compliance with Section 148 of the Code relating to required rebate of moneys to the United States or otherwise as may be necessary to assure exclusion from gross income for federal income tax purposes of interest on the Bonds or to conform with the Regulations; or

(5) to provide for the issuance of Parity Bonds to pay and discharge the indebtedness of a portion of the Outstanding Bonds (a "Partial Discharge") pursuant to Section 9.03 hereof; provided that, following the issuance of such Parity Bonds, Maximum Annual Debt Service on the Bonds that will remain Outstanding following such Partial Discharge and such Parity Bonds will not be more in any subsequent Bond Year than Maximum Annual Debt Service on the Outstanding Bonds before the issuance of such Parity Bonds.

Section 8.02. Owners' Meetings. The School District may at any time call a meeting of the Owners. In such event, the School District is authorized to fix the time and place of any such meeting and to provide for the giving of notice thereof and to fix and adopt rules and regulations for the conduct of the meeting.

Section 8.03. Procedure for Amendment with Written Consent of Owners. The School District and the Fiscal Agent may at any time enter into a Supplemental Agreement amending the provisions of the Bonds or of this Agreement or any Supplemental Agreement, to the extent that such amendment is permitted by Section 8.01(a) hereof, to take effect when and as provided in this Section 8.03. A copy of the Supplemental Agreement, together with a request to Owners for their consent thereto, shall be mailed by first class mail, postage prepaid, by the Fiscal Agent to each Owner of Bonds Outstanding, but failure to mail copies of the Supplemental Agreement and request shall not affect the validity of the Supplemental Agreement when assented to as in this Section provided.

Such a Supplemental Agreement shall not become effective unless there shall be filed with the Fiscal Agent the written consents of the Owners of at least sixty percent (60%) in aggregate principal amount of the Bonds then Outstanding (exclusive of Bonds disqualified as provided in Section 8.04) and a notice shall have been mailed as hereinafter in this Section provided. Each such consent shall be effective only if accompanied by proof of ownership of the Bonds for which such consent is given, which proof shall be such as is permitted by Section 9.05 hereof. Any such consent shall be binding upon the Owner of the Bonds giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof) unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Fiscal Agent prior to the date when the notice hereinafter in this Section provided for has been mailed.

After the Owners of the required percentage of Bonds shall have filed their consents to the Supplemental Agreement, the School District shall mail a notice to the Owners in the manner hereinbefore provided in this Section for the mailing of the Supplemental Agreement, stating in

substance that the Supplemental Agreement has been consented to by the Owners of the required percentage of Bonds and will be effective as provided in this Section (but failure to mail copies of said notice shall not affect the validity of the Supplemental Agreement or consents thereto). Proof of the mailing of such notice shall be filed with the Fiscal Agent. A record, consisting of the papers required by this Section 8.03 to be filed with the Fiscal Agent, shall be proof of the matters therein stated until the contrary is proved. The Supplemental Agreement shall become effective upon the filing with the Fiscal Agent of the proof of mailing of such notice, and the Supplemental Agreement shall be deemed conclusively binding (except as otherwise hereinabove specifically provided in this Article VIII) upon the School District, the District and the Owners of all Bonds then Outstanding at the expiration of sixty (60) days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such sixty (60)-day period.

Section 8.04. Disqualified Bonds. Bonds owned or held for the account of the School District, excepting any pension or retirement fund, shall not be deemed Outstanding for the purpose of any vote, consent or other action or any calculation of Outstanding Bonds provided for in this Article VIII, and shall not be entitled to vote upon, consent to, or participate in any action provided for in this Article VIII.

Section 8.05. Effect of Supplemental Agreement. From and after the time any Supplemental Agreement becomes effective pursuant to this Article VIII, this Agreement shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Agreement of the School District and all Owners of Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such Supplemental Agreement shall be deemed to be part of the terms and conditions of this Agreement for any and all purposes.

Section 8.06. Endorsement or Replacement of Bonds Issued After Amendments. The School District may determine that Bonds issued and delivered after the effective date of any action taken as provided in this Article VIII shall bear a notation, by endorsement or otherwise, in form approved by the School District, as to such action. In that case, upon demand of the Owner of any Bond Outstanding at such effective date and upon presentation of his Bond for that purpose at the Principal Office of the Fiscal Agent or at such other office as the School District may select and designate for that purpose, a suitable notation shall be made on such Bond. The School District may determine that new Bonds, so modified as in the opinion of the School District is necessary to conform to such action, shall be prepared, executed and delivered. In that case, upon demand of the Owner of any Bonds then Outstanding, such new Bonds shall be exchanged at the Principal Office of the Fiscal Agent without cost to any Owner, for like Bonds then Outstanding, upon surrender of such Bonds.

Section 8.07. Amendatory Endorsement of Bonds. The provisions of this Article VIII shall not prevent any Owner from accepting any amendment as to the particular Bonds held by him, provided that due notation thereof is made on such Bonds.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Benefits of Agreement Limited to Parties; Insurer as Third Party Beneficiary. Nothing in this Agreement, expressed or implied, is intended to give to any person other than the School District, the Fiscal Agent and the Owners, any right, remedy or claim under or by reason of this Agreement. Any covenants, stipulations, promises or agreements in this Agreement contained by and on behalf of the School District shall be for the sole and exclusive benefit of the Owners and the Fiscal Agent; provided, however, that the Insurer shall be a third party beneficiary to this Agreement.

Section 9.02. Successor is Deemed Included in All References to Predecessor. Whenever in this Agreement or any Supplemental Agreement either the School District or the Fiscal Agent is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Agreement contained by or on behalf of the School District or the Fiscal Agent shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 9.03. Discharge of Agreement.

If the School District shall pay and discharge the entire indebtedness of all or a portion (a "Partial Discharge") of the Outstanding Bonds in any one or more of the following ways:

(A) by well and truly paying or causing to be paid the principal of and interest and any premium on such Bonds, as and when the same become due and payable;

(B) by depositing with the Fiscal Agent, in trust, at or before maturity, an amount of money which, together with the amounts then on deposit in the Bond Fund, the Special Tax Fund and the Reserve Fund, or in the event of a Partial Discharge, the appropriate portion of such amounts, as determined by the School District and confirmed by an Independent Financial Consultant, is fully sufficient to pay all such Bonds, including all principal, interest and redemption premiums, if any; or

(C) by irrevocably depositing with the Fiscal Agent, in trust, cash or non-callable Defeasance Securities in such amount as the School District shall determine, as confirmed by an accountant acceptable to the Insurer, will, together with the interest to accrue thereon and amounts then on deposit in the Bond Fund, the Special Tax Fund and the Reserve Fund, or in the event of a Partial Discharge, the appropriate portion of such amounts, as determined by the School District and confirmed by an accountant acceptable to the Insurer, be fully sufficient to pay and discharge the indebtedness of all such Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates, (ii) an Escrow Deposit Agreement (which shall be acceptable in form and substance to the Insurer), (iii) an opinion of nationally recognized bond counsel to the effect that the Bonds are no longer "Outstanding" under this Agreement and (iv) a certificate of discharge of the Fiscal Agent with respect to the Bonds; each Verification and defeasance opinion shall be acceptable in form and substance, and

addressed, to the Issuer, Fiscal Agent and Insurer. The Insurer shall be provided with final drafts of the above referenced documentation not less than five business days prior to the funding of the escrow;

and if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as in this Agreement provided or provision satisfactory to the Fiscal Agent shall have been made for the giving of such notice; then, at the election of the School District, and notwithstanding that any such Bonds shall not have been surrendered for payment, the pledge of the Special Tax Revenues and other funds provided for in this Agreement and all other obligations of the School District and the District under this Agreement with respect to such Bonds shall cease and terminate, except the obligation of the School District to pay or cause to be paid to the Owners of such Bonds not so surrendered and paid all sums due thereon, the obligation of the School District to pay all amounts owing to the Fiscal Agent pursuant to Section 7.05 hereof, and the obligations of the School District pursuant to the covenants contained in Section 5.10 hereof; and thereafter Special Tax Revenues shall not be payable to the Fiscal Agent with respect to such Bonds. Notice of such election shall be filed with the Fiscal Agent. The satisfaction and discharge of this Agreement as to all of the Outstanding Bonds shall be without prejudice to the rights of the Fiscal Agent to charge and be reimbursed by the School District for the expenses which it shall thereafter incur in connection herewith.

Any funds held by the Fiscal Agent to pay and discharge the indebtedness on such Bonds, upon payment of all fees and expenses of the Fiscal Agent, which are not required for such purpose, shall be paid over to the School District.

Section 9.04. Execution of Documents and Proof of Ownership by Owners. Any request, consent, declaration or other instrument which this Agreement may require or permit to be executed by Owners may be in one or more instruments of similar tenor, and shall be executed by Owners in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such a request, consent, declaration or other instrument, or of a writing appointing such an attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such a notary public or other officer.

Except as otherwise herein expressly provided, the ownership of registered Bonds and the amount, maturity, number and date of holding the same shall be proved by the registration books maintained by the Fiscal Agent pursuant to Section 2.08 hereof.

Any request, consent, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the School District or the Fiscal Agent in good faith and in accordance therewith.

Section 9.05. Waiver of Personal Liability. No member, officer, agent or employee of the School District or the District shall be individually or personally liable for the payment of the

principal of, or interest or any premium on, the Bonds; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law.

Section 9.06. Notices to and Demands on School District and Fiscal Agent. Any notice or demand which by any provision of this Agreement is required or permitted to be given or served by the Fiscal Agent to or on the School District may be given or served by being deposited postage prepaid (first class, registered or certified) in a post office letter box addressed (until another address is filed by the School District with the Fiscal Agent) as follows:

Riverside Unified School District
3380 14th Street
Riverside, CA 92501
Attn: Deputy Superintendent, Business Services and
Governmental Relations

Any notice or demand which by any provision of this Agreement is required or permitted to be given or served by the School District to or on the Fiscal Agent may be given or served by being deposited postage prepaid (first class, registered or certified) in a post office letter box addressed (until another address is filed by the Fiscal Agent with the School District) as follows:

U.S. Bank National Association
Attn: Global Corporate Trust Services
633 West Fifth Street, 24th Floor
LM-CA-T24T
Los Angeles, CA 90071
Reference: Riverside USD/CFD No. ____

The notice address of the Insurer is:

Section 9.07. Partial Invalidity. If any section, paragraph, sentence, clause or phrase of this Agreement shall for any reason be held by a court of competent jurisdiction to be illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Agreement. The School District hereby declares that it would have executed and delivered this Agreement and each and every other section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Bonds pursuant thereto irrespective of the fact that any one or more sections, paragraphs, sentences, clauses or phrases of this Agreement may be held illegal, invalid or unenforceable.

Section 9.08. Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any moneys held by the Fiscal Agent in trust for the payment and discharge of the principal of, and the interest and any premium on, the Bonds which remains unclaimed for two (2) years after the date when the payment of such principal, interest and premium have become payable, if such moneys were held by the Fiscal Agent at such date, shall be paid by the

Fiscal Agent to the School District as its absolute property free from any trust, and the Fiscal Agent shall thereupon be released and discharged with respect thereto and the Owners of such Bonds shall look only to the School District for the payment of the principal of, and interest and any premium on, their Bonds.

Section 9.09. Applicable Law. This Agreement shall be governed by and enforced in accordance with the laws of the State of California applicable to contracts made and performed in the State of California.

Section 9.10. Conflict with Act. In the event of a conflict between any provision of this Agreement with any provision of the Act as in effect on the Closing Date, the provision of the Act shall prevail over the conflicting provision of this Agreement.

Section 9.11. Conclusive Evidence of Regularity. Bonds issued pursuant to this Agreement shall constitute conclusive evidence of the regularity of all proceedings under the Act relative to their issuance and the levy of the Special Taxes.

Section 9.12. Payment on Business Day. In any case where the date of the payment of interest on or of principal (and premium, if any) of the Bonds or the date fixed for redemption is other than a Business Day, the payment of interest or principal (and premium, if any) need not be made on such date but may be made on the next succeeding day which is a Business Day with the same force and effect as if made on the date required, and no interest shall accrue for the period from and after such date.

Section 9.13. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

IN WITNESS WHEREOF, the School District has caused this Agreement to be executed in its name on behalf of the District, and the Fiscal Agent, in acknowledgment of its acceptance of the duties of the Fiscal Agent created hereunder, has caused this Agreement to be executed in its name, all as of _____, 2015

RIVERSIDE UNIFIED SCHOOL DISTRICT, for
and on behalf of COMMUNITY FACILITIES
DISTRICT NO. __ OF RIVERSIDE UNIFIED
SCHOOL DISTRICT, COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA

By: _____
Authorized Signatory

U.S. BANK NATIONAL ASSOCIATION,
as Fiscal Agent

By: _____
Authorized Officer

EXHIBIT A

FORM OF BOND

No. _____

\$ _____

**UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF RIVERSIDE
COMMUNITY FACILITIES DISTRICT NO. __
OF RIVERSIDE UNIFIED SCHOOL DISTRICT
2015 SPECIAL TAX REFUNDING BONDS**

<u>MATURITY DATE (SEPTEMBER 1)</u>	<u>PRINCIPAL AMOUNT</u>	<u>INTEREST RATE</u>	<u>DATED DATE</u>	<u>CUSIP NUMBER</u>
--------------------------------------------	-----------------------------	--------------------------	-----------------------	-------------------------

REGISTERED OWNER: U.S. BANK NATIONAL ASSOCIATION, as Trustee for
Riverside Unified School District Financing Authority

Riverside Unified School District (the "School District"), for and on behalf of Community Facilities District No. __ of Riverside Unified School District, County of Riverside, State of California (the "District"), for value received, hereby promises to pay, from the Special Taxes (as hereinafter defined) to be collected in the District or amounts in the funds and accounts held under the Agreement (as hereinafter defined) to the registered owner named above, or registered assigns, on the maturity date specified above, the principal amount specified above, and to pay interest on such principal amount from January __, 2015, or from the most recent interest payment date to which interest has been paid or duly provided for, semiannually on March 1 and September 1, commencing September 1, 2015 ("Interest Payment Dates"), at the interest rate specified above, until the principal amount hereof is paid or made available for payment. The principal of this Bond is payable by check to the registered owner hereof in lawful money of the United States of America upon presentation and surrender of this Bond at the Principal Office of U.S. Bank National Association (the "Fiscal Agent"). Interest on this Bond shall be paid by check of the Fiscal Agent mailed by first class mail, postage prepaid, on each Interest Payment Date to the registered owner hereof as of the close of business on the fifteenth (15th) day of the month preceding the month in which the Interest Payment Date occurs (the "Record Date") at such registered owner's address as it appears on the registration books maintained by the Fiscal Agent; except that at the written request of the owner of at least \$1,000,000 in aggregate principal amount of outstanding Bonds filed with the Fiscal Agent prior to the Record Date preceding any Interest Payment Date, interest on such Bonds shall be paid to such owner on such Interest Payment Date by wire transfer of immediately available funds to an account in the United States of America designated in such written request.

This Bond is one of a duly authorized issue of bonds approved by the qualified electors of the District pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the California Government Code (the "Mello-Roos Act"), for the purpose of financing certain public facilities for the District, and is one of the series of Bonds designated "Community Facilities District No. ___ of Riverside Unified School District 2015 Special Tax Refunding Bonds" (the "Bonds"), in the aggregate principal amount of \$_____. The issuance of the Bonds and the terms and conditions thereof are provided for by a resolution adopted by the Board of Education of the School District on December 8, 2014 (the "Resolution"), and the Fiscal Agent Agreement, dated as of January 1, 2015, between the School District and the Fiscal Agent (the "Agreement") and this reference incorporates the Resolution and the Agreement herein, and by acceptance hereof the owner of this Bond assents to the terms and conditions of the Resolution and the Agreement. The Resolution is adopted under, the Agreement is executed under, this Bond is issued under, and all are to be construed in accordance with, the laws of the State of California.

Pursuant to the Mello-Roos Act, the Agreement and the Resolution, the principal of and interest on the Bonds are payable from the annual levy of Special Taxes authorized under the Mello-Roos Act to be collected within the District (the "Special Taxes") and are secured by a pledge of and lien upon the revenues derived therefrom and certain funds held by the Fiscal Agent pursuant to the Agreement.

Interest on this Bond shall be payable from the Interest Payment Date next preceding the date of its authentication, unless (i) it is authenticated on an Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (ii) it is authenticated prior to an Interest Payment Date and after the close of business on the Record Date preceding such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (iii) it is authenticated prior to the Record Date preceding the first Interest Payment Date, in which event it shall bear interest from _____; provided, however, that if at the time of authentication of this Bond, interest is in default hereon, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment hereon, or from _____ if no interest has previously been paid or made available for payment hereon.

Any tax for the payment hereof shall be limited to the Special Taxes, except to the extent that provision for payment has been made by the School District as may be permitted by law. The Bonds do not constitute obligations of the School District for which the School District is obligated to levy or pledge, or has levied or pledged, general or special taxation other than as described hereinabove.

The School District has covenanted for the benefit of the owners of the Bonds as follows: (i) it will order, and cause to be commenced judicial foreclosure proceedings against properties in the District with delinquent Special Taxes in excess of \$5,000 by October 1 following the close of the fiscal year in which such Special Taxes were due, and (ii) it will commence judicial foreclosure proceedings against all properties in the District with delinquent Special Taxes by the October 1 following the close of each fiscal year in which it receives Special Taxes in an amount which is less than ninety-five percent (95%) of the total Special Taxes levied, and diligently pursue to completion such foreclosure proceedings.

The Bonds are subject to redemption prior to their stated maturity dates on any date on or after March 1, 2025, as selected by the School District, in integral multiples of \$5,000, at the option of the School District from moneys derived by the School District from any source, at redemption prices (expressed as percentages of the principal amounts of the Bonds to be redeemed), together with accrued interest to the date of redemption.

The Bonds are subject to mandatory redemption prior to their stated maturity dates on any Interest Payment Date, as selected by the School District, in integral multiples of \$5,000, from moneys derived by the School District from Special Tax Prepayments, at redemption prices (expressed as percentages of the principal amounts of the Bonds to be redeemed), together with accrued interest to the date of redemption, as follows:

<u>Redemption Period</u>	<u>Redemption Price</u>
September 1, 2015, through September 1, 2022	103%
March 1, 2023 and September 1, 2023	102%
March 1, 2024 and September 1, 2024	101%
March 1, 2025 and any Interest Payment Date thereafter	100%

Notice of redemption with respect to the Bonds to be redeemed shall be given to the registered owners thereof, in the manner and to the extent provided in the Agreement.

From and after the date fixed for redemption, if funds available for the payment of the redemption prices of the Bonds selected for redemption shall have been deposited in the Principal Account in the Bond Fund, such Bonds shall cease to be entitled to any benefit under the Agreement other than the right to receive payment of the redemption price, and interest shall cease to accrue on the Bonds to be redeemed on the redemption date specified in the notice of redemption.

This Bond shall be registered in the name of the owner hereof, as to both principal and interest.

Each registration and transfer of registration of this Bond shall be entered by the Fiscal Agent in books kept by it for that purpose and authenticated by the manual signature of an authorized signatory of the Fiscal Agent upon the certificate of authentication endorsed hereon.

No transfer or exchange hereof shall be valid for any purpose unless made by the registered owner or his duly authorized attorney, by execution of the form of assignment endorsed hereon, and authenticated as herein provided, and the principal hereof and interest hereon shall be payable only to the registered owner or to such owner's order.

The Fiscal Agent shall require the registered owner requesting transfer or exchange hereof to pay any tax or other governmental charge required to be paid with respect to such transfer or exchange.

The Agreement and the rights and obligations of the School District and the District thereunder may be modified or amended as set forth therein.

This Bond shall not become valid or obligatory for any purpose until the certificate of authentication hereon endorsed shall have been dated and manually signed on behalf of the Fiscal Agent.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by law to exist, happen and be performed precedent to and in the issuance of this Bond have existed, happened and been performed in due time, form and manner as required by law.

IN WITNESS WHEREOF, the Board of Education of Riverside Unified School District, for Community Facilities District No. __ thereof, has caused this Bond to be dated as of _____, 2015 and to be signed by the facsimile signature of the President of the Board of Education and countersigned by the facsimile signature of the Secretary of the Board of Education.

RIVERSIDE UNIFIED SCHOOL DISTRICT, for
and on behalf of COMMUNITY FACILITIES
DISTRICT NO. _____ OF RIVERSIDE UNIFIED
SCHOOL DISTRICT, COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA

By: _____
President of the Board of Education of
Riverside Unified School District for
Community Facilities District No. __ thereof

ATTEST:

Secretary of the Board of Education

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-defined Agreement.

Dated: January ___, 2015

U.S. BANK NATIONAL ASSOCIATION,
as Fiscal Agent

By: _____
Authorized Officer

ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within Bond and do(es) hereby irrevocably constitute and appoint _____ attorney, to transfer the same on the books of the Trustee, with full power of substitution in the premises.

Dated: _____

Note: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

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.

ESCROW AGREEMENT

RELATING TO DEFEASANCE AND REFUNDING
OF OUTSTANDING BONDS OF
COMMUNITY FACILITIES DISTRICT NO. ____,
OF RIVERSIDE UNIFIED SCHOOL DISTRICT

Dated as of _____, 2014

by and between

RIVERSIDE UNIFIED SCHOOL DISTRICT

and

U.S. BANK NATIONAL ASSOCIATION
as Escrow Agent

ESCROW AGREEMENT

This Escrow Agreement is made and entered into as of _____, 2014, by and between RIVERSIDE UNIFIED SCHOOL DISTRICT, a public agency existing under the laws of the State of California (the "School District"), and U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America (the "Escrow Agent");

WITNESSETH:

WHEREAS, the School District and U.S. Bank National Association (the "Fiscal Agent") have entered into a Fiscal Agent Agreement, dated as of _____, 2014 (the "Fiscal Agent Agreement"), whereby the Fiscal Agent has agreed to authenticate and deliver bonds of Community Facilities District No. ___ of the School District (the "District") designated "Community Facilities District No. ___ of Riverside Unified School District 2015 Special Tax Refunding Bonds" (the "Bonds") for the purpose of accomplishing the defeasance and refunding of the outstanding bonds of the District which are hereinafter identified as the Refunding Bonds; and

WHEREAS, pursuant to a fiscal agent agreement dated as of _____, ___ between the School District and the Escrow Agent, as fiscal agent thereunder (the "Refunded Bonds Fiscal Agent Agreement"), the Escrow Agent, as such fiscal agent (the "Refunded Bonds Fiscal Agent"), authenticated and delivered bonds of the District designated "Community Facilities District No. ___ of Riverside Unified School District Special Tax Bonds, _____ Series ___," in the aggregate principal amount of \$_____ (the "Refunded Bonds") for the purpose of financing certain public facilities within and for the benefit of the District; and

WHEREAS, there are currently outstanding Refunded Bonds in the aggregate principal amount of \$_____; and

WHEREAS, the outstanding Refunded Bonds are subject to redemption on any interest payment date on or after March 1, 2015; and

WHEREAS, the Escrow Agent, as Refunding Bonds Fiscal Agent, has mailed notice of the redemption of the Refunded Bonds to the owners of the Refunded Bonds as required by the Refunded Bonds Fiscal Agent Agreement; and

WHEREAS, pursuant to the Fiscal Agent Agreement, the School District and the Fiscal Agent are to provide to and deposit with the Escrow Agent in trust the amount of \$_____, which amount has been verified by Causey Demgen & Moore P.C., certified public accountants (the "Verification Agent"), to be sufficient to pay the interest on the Refunded Bonds on March 1, 2015, and to call and redeem prior to maturity all of the remaining outstanding Refunded Bonds on March 1, 2015, so that the Refunded Bonds and the payment of principal of and interest and redemption premium, if any, thereon will be defeased and the Refunded Bonds will no longer be secured as to payment of principal and interest thereon by a pledge of and lien upon the Special Tax Revenues (as defined in the Fiscal Agent Agreement);

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties hereto agree as follows:

Section 1. Establishment of Escrow Fund. The Escrow Agent hereby creates and establishes the Escrow Fund as a special trust fund separate and apart from any other funds of the School District, the District and the Escrow Agent, and agrees to use the moneys deposited therein solely for the purposes required or permitted by this Agreement. The Escrow Fund will be established by the deposit by the School District, the Refunded Bonds Fiscal Agent, and the Fiscal Agent with the Escrow Agent of the amount of \$ _____, which will be transferred to the Escrow Agent for deposit in the Escrow Fund.

Section 2. Purpose of Escrow Fund. The Escrow Agent shall withdraw from the Escrow Fund and transfer to the Refunded Bonds Fiscal Agent moneys in sufficient amounts and at the times necessary to make the principal and interest payments, without default, with respect to the outstanding Refunded Bonds as required by the Refunded Bonds Fiscal Agent Agreement, and to cause the call and redemption of all of the remaining outstanding Refunded Bonds, at the redemption prices and upon the terms and conditions specified in the Refunded Bonds Fiscal Agent Agreement. The Escrow Agent, as Refunded Bonds Fiscal Agent, is irrevocably committed to make such principal and interest payments and to call and redeem the Refunded Bonds to the extent that there are sufficient moneys on deposit in the Escrow Fund. On March 1, 2015, the Escrow Agent shall transmit moneys from the Escrow Fund in such amount as is necessary to pay such principal, interest and redemption prices for the Refunded Bonds, and such moneys shall be held by the Escrow Agent, as Refunded Bonds Fiscal Agent, separate and apart from all other funds for the benefit of and be paid to the owners of the Refunded Bonds as provided in the Refunded Bonds Fiscal Agent Agreement.

Section 3. Deposit of Funds. In order to provide for the payment of the principal, interest and redemption prices with respect to the Refunded Bonds, the School District shall on the date of delivery of the Bonds (the "Closing Date") to the purchaser thereof and receipt of the proceeds of the sale of the Bonds, together with other funds held by the Fiscal Agent and the District, cause the Fiscal Agent to deposit with the Escrow Agent, in trust for the benefit of the owners of the Refunded Bonds, subject to the terms and conditions hereinafter set forth, the amount of \$ _____ representing proceeds of the Bonds, and \$ _____ representing funds on hand with the Refunded Bonds Fiscal Agent and the District and available to pay the redemption price of the Refunded Bonds. The Escrow Agent agrees to deposit said amount into the Escrow Fund.

Section 4. Instructions to Escrow Agent. The School District hereby irrevocably instructs the Escrow Agent to make the payments of interest and principal with respect to the Refunded Bonds, without default, and to call and redeem the remaining outstanding Refunded Bonds on March 1, 2015. The Escrow Agent, as Refunded Bonds Fiscal Agent, is hereby authorized and directed and agrees to mail the notices required pursuant to the Refunded Bonds Fiscal Agent Agreement with respect to the call and redemption of the remaining outstanding Refunded Bonds, and to take such other action as is required by the Refunded Bonds Fiscal Agent Agreement with respect to the call and redemption of the Refunded Bonds.

Section 5. Investments. The Escrow Agent shall not invest the moneys deposited in the Escrow Fund and such sum shall be held as cash in the Escrow Fund. The report of the Verification Agent, as to the sufficiency of the moneys deposited in the Escrow Fund to pay the principal, redemption premium and interest on the Refunded Bonds and to redeem the Refunded Bonds on March 1, 2015 shall be furnished as a condition precedent to the delivery of the Bonds. The Escrow Agent shall hold all such moneys in the Escrow Fund, and shall apply the same only for the purposes and in the manner provided in this Agreement. The interest and principal payments due on the Refunded Bonds are set forth in said report of the Verification Agent.

Section 6. Application of Funds. The Escrow Agent shall, without further authorization or direction from the School District, apply the moneys on deposit in the Escrow Fund on each date upon which an installment of interest or principal on the Refunded Bonds is due to the payment on each such date of such installment. The Escrow Agent shall apply the balance of the moneys in the Escrow Fund, as necessary, for the payment of the principal of, redemption premium, if any, and interest on the remaining outstanding Refunded Bonds which have been called for redemption as provided in Section 4 hereof. Any moneys remaining in the Escrow Fund after payment of all such installments of principal and interest and such application of the balance of the moneys on deposit therein and after payment of all fees and expenses of the Escrow Agent shall be paid by the Escrow Agent to the School District.

Section 7. Insufficiency of Funds.

(a) If at any time the moneys in the Escrow Fund will not be sufficient to make all payments required by this Agreement, the Escrow Agent shall notify the School District in writing, immediately upon becoming aware of such deficiency, of the amount thereof and the reason therefor if actually known to it.

(b) Thereupon, the School District shall deposit into the Escrow Fund within seven (7) days of such notification by the Escrow Agent, from any legally available funds of the District, such additional moneys as may be required to cause the moneys in the Escrow Fund to be sufficient to make all such payments.

(c) The Escrow Agent shall in no manner be responsible for the failure of the School District to make any such deposit.

Section 8. Lien of Bond Owners. The escrow created hereby shall be irrevocable and the owners of the Refunded Bonds shall have an express lien on all moneys and investments on deposit in the Escrow Fund until transferred or applied in accordance with this Agreement.

Section 9. Fees of Escrow Agent. The Escrow Agent's fees and costs with respect to the services to be rendered by the Escrow Agent in carrying out the provisions of this Agreement shall be paid by the School District to the Escrow Agent. The Escrow Agent shall have no lien whatsoever upon any of the moneys in the Escrow Fund for the payment of such fees and expenses.

The School District hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and hold harmless the Escrow Agent and its successors, assigns, officers, agents and employees from and

against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses, and disbursements (including legal fees and disbursements) of whatsoever kind or nature which may at any time be imposed on, incurred by, or asserted against the Escrow Agent (whether or not also indemnified against by the School District or any other person under any other agreement or instrument) and in any way relating to or arising out of the execution or delivery of this Agreement, the establishment of the Escrow Fund, the retention of the moneys therein, or any payment, transfer or other application of moneys by the Escrow Agent in accordance with the provisions of this Agreement, or as may arise by reason of any act, omission or error of the Escrow Agent made in good faith in the conduct of its duties; provided, however, that the School District shall not be required to indemnify the Escrow Agent against its own negligence or willful misconduct. In no event shall the School District be liable to any person other than the Escrow Agent by reason of the transactions contemplated hereby. The indemnities contained in this Section shall survive the termination of this Agreement

The Escrow Agent may consult with counsel of its own choice and the opinion of such counsel shall be full and complete authorization to take or suffer in good faith any action in accordance with the opinion of such counsel.

The Escrow Agent shall not be responsible for any of the recitals or representations contained herein.

The Escrow Agent shall have no obligation to make any disbursement of any type or incur any financial liability in the performance of its duties hereunder unless sufficient funds have been deposited with the Escrow Agent as provided hereby.

The Escrow Agent shall not be liable for the accuracy of any calculations provided as to the sufficiency of the moneys deposited with it to pay the principal, interest, or redemption premiums, if any, on the Refunded Bonds.

The Escrow Agent shall not be liable for any action or omission of the School District under this Agreement.

The Escrow Agent may conclusively rely, as to the truth and accuracy of the statements and correctness of the opinions and the calculations provided to it, and shall be protected and indemnified, in acting, or refraining from acting, upon any written notice, 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.

Section 10. Partial Invalidity. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11. Successors. Whenever herein the School District or the Escrow Agent are named or referred to, such provision shall be deemed to include any successor of the School District or the Escrow Agent, respectively, whether so expressed or not. All the stipulations, obligations and agreements by or on behalf of, and other provisions for the benefit of the School District or the Escrow Agent contained herein:

(a) shall bind and inure to the benefit of any such successor; and

(b) shall bind and inure to the benefit of any officer, board, authority, agent or instrumentality to whom or to which there shall be transferred by or in accordance with law any right, power or duty of the School District or the Escrow Agent, respectively, or of its successor, the possession of which is necessary or appropriate to comply with any such stipulations, obligations, agreements or other provisions hereof.

Section 12. Unclaimed Funds. Notwithstanding any other provision of this Agreement, any moneys held by the Escrow Agent hereunder in trust for the payment of the principal of, interest on, and redemption premium, if any, with respect to the Refunded Bonds and remaining unclaimed for one (1) year after the principal of all of the Refunded Bonds shall have become due for payment, shall then be repaid to the School District and the owners of the Refunded Bonds shall thereafter be entitled to look only to the School District for the payment thereof, and liability of the Escrow Agent with respect to such moneys shall thereupon cease. In the event of the payment of any such moneys to the School District as aforesaid, the owners of the Refunded Bonds secured hereby with respect to which such moneys are paid shall thereafter be deemed to be unsecured creditors of the School District. Notwithstanding the foregoing, the Escrow Agent shall, upon the written request of the School District, repay such moneys to the School District at any time earlier than the expiration of such one (1) year period, if the School District delivers to the Escrow Agent the opinion of a nationally recognized bond counsel firm that failure to pay such moneys to the School District at such earlier time shall give rise to the operation of any escheat statute under applicable law.

Section 13. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as an original and shall constitute and be but one and the same instrument.

Section 14. Amendments, Changes and Modifications. This Agreement may not be effectively amended, changed, modified, altered or terminated without the written agreement of all parties hereto. This Agreement may be amended by a supplemental agreement to cure, correct or supplement any ambiguous or defective provision contained herein, or in regard to questions arising hereunder as the parties hereto may deem necessary or desirable, and which shall not adversely affect the interests of the owners of the Refunded Bonds, without the consent of such owners. This Agreement may not be otherwise modified or amended without the written consents of the owners of at least sixty percent (60%) in aggregate principal amount of the Refunded Bonds which are then outstanding. The Bond Insurer named in the Fiscal Agent Agreement shall receive written notice of any proposed modification of or amendment to this Agreement at least thirty (30) days prior to the execution and delivery of the supplemental agreement effecting such modification or amendment. Any modification or amendment which requires the consent of the owners of the Refunded Bonds shall be effected in substantial compliance with the provisions of Section 9.06 of the Refunded Bonds Fiscal Agent Agreement.

Section 15. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

Section 16. Headings. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Section 17. Notices. Any notices or filings required to be given or made under this Agreement shall be served, given or made in writing upon the School District by personal delivery or registered mail addressed to:

Riverside Unified School District
3380 14th Street
Riverside, CA 92501
Attn: _____

and upon the Escrow Agent by personal delivery or registered mail addressed to:

U.S. Bank National Association
Attn: Global Corporate Trust Services
633 West Fifth Street, 24th Floor
LM-CA-T24T
Los Angeles, CA 90071
Reference: Riverside USD/CFD No. ____

or at such other place as may be designated by any party in writing.

(Signature page follows)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first above written.

RIVERSIDE UNIFIED SCHOOL DISTRICT

By: _____
Authorized Signatory

U.S. BANK NATIONAL ASSOCIATION, as
Escrow Agent

By: _____
Authorized Signatory

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PRELIMINARY OFFICIAL STATEMENT DATED _____, 2015

NEW ISSUE-FULL BOOK ENTRY

RATINGS: S&P: “___” (Insured)
S&P: “___” (Underlying)
(See “MISCELLANEOUS — Ratings” herein)

In the opinion of Best Best & Krieger LLP, Riverside, California, Bond Counsel, subject, however, to certain qualifications described in this Official Statement, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes, and such interest is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, although for the purpose of computing the federal alternative minimum tax imposed on certain corporations, such interest is taken into account in determining certain income and earnings. In the further opinion of Bond Counsel, interest on the Bonds is exempt from State of California personal income taxes. See “LEGAL MATTERS — Tax Matters.”

\$43,595,000*
RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY
2015 SPECIAL TAX REVENUE REFUNDING BONDS

Dated: Date of Delivery

Due: September 1 as shown on inside cover

The Riverside Unified School District Financing Authority (the “Authority”) will issue its 2015 Special Tax Revenue Refunding Bonds (the “Bonds”) to acquire certain special tax obligations issued by Riverside Unified School District (the “School District”) on behalf of community facilities districts, or improvement areas of community facilities districts (the “Taxing Jurisdictions”), formed by the School District (the “District Bonds”). The District Bonds are being issued to refund nine outstanding series of bonds issued by the School District on behalf of the Taxing Jurisdictions. See “FINANCING PLAN.”

The Bonds are payable solely from “Revenues,” as defined herein, pledged by the Authority pursuant to that certain Indenture of Trust, dated as of _____ 1, 2015 (the “Indenture”), by and between the Authority and U.S. Bank National Association, as trustee (the “Trustee”). Revenues consist primarily of special taxes levied in the Taxing Jurisdictions and paid to the Authority as debt service on the District Bonds.

The Bonds will be issued in integral multiples of \$5,000. Interest on the Bonds is payable on September 1, 2015 and semiannually thereafter on March 1 and September 1 each year. The Bonds will be initially issued only in book-entry form and registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository of the Bonds. Principal and interest (and premium, if any) on the Bonds is payable by the Trustee to DTC, which remits such payments to its Participants for subsequent distribution to the beneficial owners of the Bonds. See “THE BONDS — General Provisions” and “— Book-Entry Only System.”

The Bonds are subject to redemption prior to maturity. See “THE BONDS — Redemption.”

The scheduled payment of principal and interest when due on the Bonds will be guaranteed under an insurance policy to be issued concurrently with the issuance of the Bonds by _____. See “BOND INSURANCE” herein.

CERTAIN EVENTS COULD AFFECT THE ABILITY OF THE AUTHORITY TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS WHEN DUE. SEE THE SECTION OF THIS OFFICIAL STATEMENT TITLED “SPECIAL RISK FACTORS” FOR A DISCUSSION OF CERTAIN FACTORS WHICH SHOULD BE CONSIDERED, IN ADDITION TO THE OTHER MATTERS SET FORTH IN THIS OFFICIAL STATEMENT, IN EVALUATING THE INVESTMENT QUALITY OF THE BONDS.

Maturity Schedule
(see inside cover)

The Bonds are offered when, as and if issued and accepted by the Underwriter, subject to approval as to their legality by Best Best & Krieger LLP, Riverside, California, Bond Counsel, and subject to certain other conditions. Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, is serving as Disclosure Counsel to the Authority with respect to the Bonds. Certain legal matters will be passed on for the Authority and the School District by Best Best & Krieger LLP, Riverside, California and for the Underwriter by its counsel, McFarlin & Anderson LLP, Laguna Hills, California. It is anticipated that the Bonds in book-entry form will be available for delivery to DTC or its agent on or about January ___, 2015.

STIFEL
[LOGO]

Dated: January ___, 2015.

* Preliminary, subject to change.

MATURITY SCHEDULE

\$43,595,000*

**RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY
2015 SPECIAL TAX REVENUE REFUNDING BONDS**

<i>Maturity (September 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>CUSIP[†] No.</i>
2015				
2016				
2017				
2018				
2019				
2020				
2021				
2022				
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				

\$ _____ % Term Bonds due September 1, 2037, Yield _____ % CUSIP[†] No. _____

[†] *CUSIP is a registered trademark of the American Bankers Association. Copyright© 1999-2015 American Bankers Association. All rights reserved. CUSIP data herein is provided by CUSIP Global Services, managed by Standard & Poor's Financial Services LLC on behalf of the American Bankers Association and is included solely for the convenience of the purchasers of the Bonds. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. The Authority, the School District and the Underwriter do not assume responsibility for the accuracy of such data.*

** Preliminary, subject to change.*

RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY

BOARD OF DIRECTORS

Patricia Lock-Dawson, Chairperson
Tom Hunt, Vice Chairperson
Kathy Y. Allavie, Secretary
Gayle Cloud, Director
Brent Lee, Director

OFFICERS

David Hansen, Ph.D., Executive Director
Michael H. Fine, Treasurer
Kirk R. Lewis, Ed.D., Assistant Executive Director

RIVERSIDE UNIFIED SCHOOL DISTRICT

BOARD OF EDUCATION

Patricia Lock-Dawson, President
Tom Hunt, Ph.D., Vice President
Kathy Y. Allavie, Clerk
Gayle Cloud, Member
Brent Lee, Member

DISTRICT STAFF

David Hansen, Ph.D., Superintendent
Michael H. Fine, Deputy Superintendent. Business Services and Government Relations
Sandra L. Meekins, Director of Business Services

PROFESSIONAL SERVICES

BOND COUNSEL

Best Best & Krieger LLP
Riverside, California

DISCLOSURE COUNSEL

Stradling Yocca Carlson & Rauth, a Professional Corporation
Newport Beach, California

FINANCIAL ADVISOR

Fieldman, Rolapp & Associates, Inc.
Irvine, California

SPECIAL TAX CONSULTANT

David Taussig & Associates, Inc.
Newport Beach, California

TRUSTEE/FISCAL AGENT/ESCROW AGENT

U.S. Bank National Association
Los Angeles, California

VERIFICATION AGENT

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

Except where otherwise indicated, all information contained in this Official Statement has been provided by the Riverside Unified School District Financing Authority, Riverside Unified School District and the Community Facilities Districts formed by Riverside Unified School District. No dealer, broker, salesperson or other person has been authorized by the Authority, the School District, the Taxing Jurisdictions, the Trustee or the Underwriter to give any information or to make any representations in connection with the offer or sale of the Bonds other than those contained in this Official Statement; and, if given or made, such other information or representations must not be relied upon as having been authorized by the Authority, the School District, the Taxing Jurisdictions, the Trustee or the Underwriter. 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.

The information set forth in this Official Statement which has been obtained from third party sources is believed to be reliable but is not guaranteed as to accuracy or completeness by the Taxing Jurisdictions, the School District or the Authority. This Official Statement is not to be construed as a contract with the purchasers or Owners 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 are not to be construed as representations of fact.

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 a part of, their 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 of completeness of such information.

The information and expressions of opinion provided in this Official Statement are subject to change without notice and neither the delivery of this Official Statement nor any sale of Bonds shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority, the School District, the Taxing Jurisdictions or any other parties described herein since the date of this Official Statement. All summaries of the Indenture or other documents are made subject to the provisions of such documents respectively and do not purport to be complete statements of any or all of such provisions. Reference is hereby made to such documents on file with the School District for further information in connection therewith.

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" or other similar words.

The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The Authority does not plan to issue any updates or revisions to the forward-looking statements set forth in this Official Statement. The Authority is obligated to provide continuing disclosure for certain historical information only. See the caption "MISCELLANEOUS — Continuing Disclosure."

IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF SUCH BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXEMPTION CONTAINED IN SUCH ACT. THE BONDS HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE.

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APPENDIX H SPECIMEN MUNICIPAL BOND
INSURANCE POLICY H-1

[INSERT AERIAL PHOTO OR MAP WITH 9 CFDS]

[SCHOOL DISTRICT LOCATION MAP]

OFFICIAL STATEMENT

\$43,595,000*

RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY 2015 SPECIAL TAX REVENUE REFUNDING BONDS

INTRODUCTION

The purpose of this Official Statement, which includes the cover page and Appendices (the “Official Statement”), is to provide certain information concerning the sale and issuance of the Riverside Unified School District Financing Authority 2015 Special Tax Revenue Refunding Bonds (the “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 and document summaries contained in the entire Official Statement. A full review should be made of the entire Official Statement. The offering of the Bonds to potential investors is made only by means of the entire Official Statement.

Financing Purpose

Purpose of the Bonds. The Bonds are being issued by the Riverside Unified School District Financing Authority (the “Authority”) for the purpose of acquiring the “District Bonds” described in this Official Statement (see “FINANCING PLAN”).

Purpose of the District Bonds. The net proceeds of the District Bonds, along with other available funds, will be used as follows (see “FINANCING PLAN”):

- (i) to make deposits into 9 separate escrow funds (collectively, the “Escrow Funds”) to be held by U.S. Bank National Association, as escrow agent (the “Escrow Agent”) pursuant to 9 separate Escrow Agreements, each dated as of _____ 1, 2015 (collectively, the “Escrow Agreements”) for the purpose of paying (A) interest on the Prior Bonds (as defined below) through March 1, 2015, the next optional redemption date for each issue, and (B) the remaining outstanding principal of the Prior Bonds (and applicable redemption premiums) on such redemption date; and
- (ii) to fund a Reserve Fund for the Bonds; and
- (iii) to pay the costs of issuing the Bonds.

The Bonds; The District Bonds

The Bonds are payable from “Revenues,” as more completely defined below, generally consisting of revenues received by the Authority as the result of the payment of debt service on the District Bonds, and amounts held in the funds and accounts established and held for the benefit of the Bonds under the Indenture.

District Bonds. The District Bonds consist of the following 9 separate series of bonds issued by Riverside Unified School District (the “School District”) on behalf of various community facilities districts or improvement areas of the community facilities districts (the “Taxing Jurisdictions”) formed by the School District:

CFD No. 10 Bonds: \$1,165,000* Community Facilities District No. 10 of Riverside Unified School District 2015 Special Tax Refunding Bonds (the “CFD No. 10 Bonds”) being issued by the

* Preliminary, subject to change.

School District on behalf of Community Facilities District No. 10 (“CFD No. 10”) to refund the outstanding \$1,510,000 Community Facilities District No. 10 of Riverside Unified School District 2005 Special Tax Bonds, Series A (the “Prior CFD No. 10 Bonds”). The CFD No. 10 Bonds are payable from Special Taxes levied on taxable property in CFD No. 10. See Appendix A — “INFORMATION REGARDING THE TAXING JURISDICTIONS — Community Facilities District No. 10.”

CFD No. 13-1 Bonds: \$5,870,000* Community Facilities District No. 13 of Riverside Unified School District 2015 Special Tax Refunding Bonds (Improvement Area No. 1) (the “CFD No. 13-1 Bonds”) being issued by the School District on behalf of Community Facilities District No. 13 (“CFD No. 13”) to refund the outstanding \$8,000,000 Community Facilities District No. 13 of Riverside Unified School District 2005 Special Tax Bonds (Improvement Area No. 1) (the “Prior CFD No. 13-1 Bonds”). The CFD No. 13-1 Bonds are payable from Special Taxes levied on taxable property in Improvement Area No. 1 of CFD No. 13. See Appendix A — “INFORMATION REGARDING THE TAXING JURISDICTIONS — Community Facilities District No. 13 (Improvement Area No. 1).”

CFD No. 14 Bonds: \$4,805,000* Community Facilities District No. 14 of Riverside Unified School District 2015 Special Tax Refunding Bonds (the “CFD No. 14 Bonds”) being issued by the School District on behalf of Community Facilities District No. 14 (“CFD No. 14”) to refund the outstanding \$6,560,000 Community Facilities District No. 14 of Riverside Unified School District 2005 Special Tax Bonds, Series A (the “Prior CFD No. 14 Bonds”). The CFD No. 14 Bonds are payable from Special Taxes levied on taxable property in CFD No. 14. See Appendix A — “INFORMATION REGARDING THE TAXING JURISDICTIONS — Community Facilities District No. 14.”

CFD No. 15-2 Bonds: \$14,965,000* Community Facilities District No. 15 (Mission Ranch) of Riverside Unified School District 2015 Special Tax Refunding Bonds (Improvement Area No. 2) (the “CFD No. 15-2 Bonds”) being issued by the School District on behalf of Community Facilities District No. 15 (“CFD No. 15”) to refund the outstanding \$20,155,000 Community Facilities District No. 15 (Mission Ranch) of Riverside Unified School District 2005 Special Tax Bonds, Series A (Improvement Area No. 2) (the “Prior CFD No. 15-2 Bonds”). The CFD No. 15-2 Bonds are payable from Special Taxes levied on taxable property in Improvement Area No. 2 of CFD No. 15. See Appendix A — “INFORMATION REGARDING THE TAXING JURISDICTIONS — Community Facilities District No. 15 (Improvement Area No. 2).”

CFD No. 17 Bonds: \$2,375,000* Community Facilities District No. 17 (Aldea Village) of Riverside Unified School District 2015 Special Tax Refunding Bonds (the “CFD No. 17 Bonds”) being issued by the School District on behalf of Community Facilities District No. 17 (Aldea Village) (“CFD No. 17”) to refund the outstanding \$2,910,000 Community Facilities District No. 17 (Aldea Village) of Riverside Unified School District 2005 Special Tax Bonds (the “Prior CFD No. 17 Bonds”). The CFD No. 17 Bonds are payable from Special Taxes levied on taxable property in CFD No. 17. See Appendix A — “INFORMATION REGARDING THE TAXING JURISDICTIONS — Community Facilities District No. 17.”

CFD No. 18 Bonds: \$2,200,000* Community Facilities District No. 18 of Riverside Unified School District 2015 Special Tax Refunding Bonds (the “CFD No. 18 Bonds”) being issued by the School District on behalf of Community Facilities District No. 18 (“CFD No. 18”) to refund the outstanding \$3,090,000 Community Facilities District No. 18 of Riverside Unified School District 2005 Special Tax Bonds (the “Prior CFD No. 18 Bonds”). The CFD No. 18 Bonds are payable from

* Preliminary, subject to change.

Special Taxes levied on taxable property in CFD No. 18. See Appendix A — “INFORMATION REGARDING THE TAXING JURISDICTIONS — Community Facilities District No. 18.”

CFD No. 21-2 Bonds: \$2,880,000* Community Facilities District No. 21 of Riverside Unified School District 2015 Special Tax Refunding Bonds (Improvement Area No. 2) (the “CFD No. 21-2 Bonds”) being issued by the School District on behalf of Community Facilities District No. 21 (“CFD No. 21”) to refund the outstanding \$3,305,000 Community Facilities District No. 21 of Riverside Unified School District 2007 Special Tax Bonds, Series A (Improvement Area No. 2) (the “Prior CFD No. 21-2 Bonds”). The CFD No. 21-2 Bonds are payable from Special Taxes levied on taxable property in Improvement Area No. 2 of CFD No. 21. See Appendix A — “INFORMATION REGARDING THE TAXING JURISDICTIONS — Community Facilities District No. 21 (Improvement Area No. 2).”

CFD No. 22 Bonds: \$4,295,000* Community Facilities District No. 22 of Riverside Unified School District 2015 Special Tax Refunding Bonds (the “CFD No. 22 Bonds”) being issued by the School District on behalf of Community Facilities District No. 22 (“CFD No. 22”) to refund the outstanding \$5,710,000 Community Facilities District No. 22 of Riverside Unified School District 2006 Special Tax Bonds (the “Prior CFD No. 22 Bonds”). The CFD No. 22 Bonds are payable from Special Taxes levied on taxable property in CFD No. 22. See Appendix A — “INFORMATION REGARDING THE TAXING JURISDICTIONS — Community Facilities District No. 22.”

CFD No. 24 Bonds: \$5,040,000* Community Facilities District No. 24 of Riverside Unified School District 2015 Special Tax Refunding Bonds (the “CFD No. 24 Bonds”) being issued by the School District on behalf of Community Facilities District No. 24 (“CFD No. 24”) to refund the outstanding \$5,985,000 Community Facilities District No. 24 of Riverside Unified School District 2006 Special Tax Bonds (the “Prior CFD No. 24 Bonds”). The CFD No. 24 Bonds are payable from Special Taxes levied on taxable property in CFD No. 24. See Appendix A — “INFORMATION REGARDING THE TAXING JURISDICTIONS — Community Facilities District No. 24.”

CFD No. 10, CFD No. 14, CFD No. 17, CFD No. 18, CFD No. 22, CFD No. 24, Improvement Area No. 1 of CFD No. 13, Improvement Area No. 2 of CFD No. 15 and Improvement Area 2 of CFD No. 21 are referred to collectively as the “Taxing Jurisdictions.”

The CFD No. 10 Bonds, the CFD No. 13-1 Bonds, the CFD No. 14 Bonds, the CFD No. 15-2 Bonds, the CFD No. 17 Bonds, the CFD No. 18 Bonds, the CFD No. 21-2 Bonds, the CFD No. 22 Bonds and the CFD No. 24 Bonds are collectively referred to in this Official Statement as the “District Bonds.”

The Prior CFD No. 10 Bonds, the Prior CFD No. 13-1 Bonds, the Prior CFD No. 14 Bonds, the Prior CFD No. 15-2 Bonds, the Prior CFD No. 17 Bonds, Prior CFD No. 18 Bonds, the Prior CFD No. 21-2 Bonds, the Prior CFD No. 22 Bonds and the Prior CFD No. 24 Bonds are collectively referred to in this Official Statement as the “Prior Bonds.”

No additional bonds secured on a parity with the District Bonds may be issued except for refunding purposes.

Legal Authority

The Bonds. The Bonds are being issued under Article 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the “Act”) and an Indenture of Trust dated as of _____ 1,

* Preliminary, subject to change.

2015 (the “Indenture”), by and between the Authority and U.S. Bank National Association, as trustee (the “Trustee”).

The District Bonds. The District Bonds are being issued pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the “Mello-Roos Act”), and 9 separate Fiscal Agent Agreements, each dated as of _____ 1, 2015 (each, a “Fiscal Agent Agreement”), each by and between the School District on behalf of the applicable District and U.S. Bank National Association, as fiscal agent.

Sources of Payment for the Bonds and the District Bonds

The Bonds are secured by a first lien upon and pledge of all of the Revenues and a pledge of all of the moneys in the Interest Account, the Principal Account and the Reserve Fund, including all amounts derived from the investment of such moneys. “Revenues” is defined in the Indenture to include all amounts received by the Trustee from the Fiscal Agent or the School District with respect to the District Bonds. Revenues include amounts received by the Trustee from the Fiscal Agent as a result of the School District’s collection of delinquent installments of Special Taxes levied on parcels of property within any of the Taxing Jurisdictions for which such installments are delinquent and result in penalties and interest.

See “SECURITY FOR THE BONDS — Revenues; Flow of Funds.”

District Bonds. Each District Bond will be payable from Special Tax Revenues (as defined below) collected in the applicable Taxing Jurisdiction as a result of the levy of Special Taxes after payment of administrative expenses in an amount that may not exceed \$[20,000] (each, a “Priority Administrative Expense Amount”).

The District Bonds are not cross-collateralized. In other words, the Special Taxes from one Taxing Jurisdiction cannot be used to cover any shortfall in the payment of debt service on the District Bonds of another Taxing Jurisdiction.

Description of the Bonds

Payments. Interest is payable on September 1, 2015, and semiannually thereafter on March 1 and September 1 each year. Principal of and premium, if any, on the Bonds shall be payable by the Trustee. See “THE BONDS — General Provisions” and “ — Book-Entry Only System.”

Denominations. The Bonds will be issued in integral multiples of \$5,000.

Redemption. The Bonds are subject to redemption prior to their maturity. See “THE BONDS — Redemption.”

Registration, transfers and exchanges. The Bonds will be issued as fully registered bonds, 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”) under the book-entry system maintained by DTC. See “THE BONDS — Payment, Registration, Transfer and Exchange of Bonds” and “Book-Entry Only System.”

The School District

The School District is a unified school district, governed by a five member, elected, Board of Education. The School District encompasses an area of about 92 square miles acres located in the northwestern portion of Riverside County approximately 47 miles east of the Los Angeles civic center. The School District encompasses major portions of the City of Riverside. The District was established in 1963

through the unification of the Riverside City School District (which was founded in 1887) and the Riverside City High School District. The District serves approximately 42,000 students. The District operates thirty elementary schools, seven middle schools, five high schools, two alternative high schools, one virtual school, one adult school and one special education preschool. [CONFIRM]

The Bonds are not a debt of the School District. The District Bonds are special obligations of the School District issued on behalf of the applicable Taxing Jurisdiction, payable solely from and secured solely by the Special Tax Revenues and certain amounts held under the Indenture and Fiscal Agent Agreements. No revenues of the School District are pledged to the repayment of the Bonds or the District Bonds.

The Authority

The Authority is a joint exercise of powers authority organized and existing pursuant to the Act. Its members are the School District and Western Municipal Water District of Riverside County.

Professionals Involved in the Offering

All proceedings in connection with the issuance of the Bonds are subject to the approval of Best Best & Krieger LLP, Riverside, California. Best Best & Krieger LLP will render a legal opinion on certain matters for the Authority. Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, is serving as Disclosure Counsel to the Authority with respect to the Bonds. David Taussig & Associates, Inc., Newport Beach, California, is acting as Special Tax Consultant to the School District. U.S. Bank National Association, Los Angeles, California, will act as the Trustee, Fiscal Agent and Escrow Agent. Fieldman, Rolapp & Associates, Inc., Irvine, California, is acting as financial advisor to the Authority and the School District. Stifel, Nicolaus & Company, Incorporated is acting as underwriter in connection with the issuance and delivery of the Bonds.

Best Best & Krieger LLP, Stradling Yocca Carlson & Rauth, a Professional Corporation, McFarlin & Anderson LLP, and Fieldman, Rolapp & Associates will receive compensation contingent upon issuance of the Bonds. Best Best & Krieger LLP and Stradling Yocca Carlson & Rauth, a Professional Corporation, represent the Underwriter in connection with financings unrelated to the Bonds.

Continuing Disclosure

Pursuant to a Continuing Disclosure Agreement, by and between the Authority and U.S. Bank National Association (the “Dissemination Agent”), dated as of _____ 1, 2015 (the “Continuing Disclosure Agreement”), the Authority has covenanted for the benefit of holders and beneficial owners of the Bonds to provide certain financial information and operating data relating to the Authority and the Taxing Jurisdictions by not later than April 1 following the end of its fiscal year, commencing by April 1, 2015 with the report for the 2013-14 Fiscal Year (the “Annual Report”), and to provide notices of the occurrence of certain enumerated events. The Annual Report will be filed by the Authority with the Electronic Municipal Market Access System of the Municipal Securities Rulemaking Board, which can be found at www.emma.msrb.org (“EMMA”). The notices of material events will be filed by the Authority with EMMA. The specific nature of the information to be contained in the Annual Report or the notices of enumerated events is set forth in APPENDIX F — “FORM OF CONTINUING DISCLOSURE AGREEMENT.” These covenants have been made in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the “Rule”). For a summary of the compliance by the Authority and the School District with their respective continuing disclosure undertakings in the last five years see the heading “MISCELLANEOUS — Continuing Disclosure.”

Bondowners' Risks

Certain events could affect the timely repayment of the principal of and interest on the Bonds when due. See the section of this Official Statement entitled "SPECIAL RISK FACTORS" for a discussion of certain factors which should be considered, in addition to other matters set forth in the Official Statement, in evaluating an investment in the Bonds.

Bond Insurance

The scheduled payment of principal and interest when due on the Bonds will be guaranteed under an insurance policy (the "Policy") to be issued concurrently with the issuance of the Bonds by _____ (the "Insurer"). See "BOND INSURANCE" and APPENDIX H — "SPECIMEN MUNICIPAL BOND INSURANCE POLICY."

The Reserve Fund for the Bonds will be funded by a debt service reserve surety to be provided by the Insurer. See "SECURITY FOR THE BONDS – Reserve Fund."

FINANCING PLAN

Purpose of Issue and the Refunding Plan

Acquisition of the District Bonds. The Authority is issuing the Bonds to purchase the District Bonds. The proceeds of the District Bonds will be used to (i) redeem all of the outstanding Prior Bonds on March 1, 2015 (the "Redemption Date"), (ii) fund the Reserve Fund with respect to the Bonds, and (iii) pay the costs of issuing the Bonds.

Refunding of the Prior Bonds. A portion of the proceeds of the District Bonds, along with other available moneys, will be deposited into the Escrow Funds pursuant to the Escrow Agreements. The funds will be used to pay principal and interest payable on the Prior Bonds through the Redemption Date, and to redeem the remaining outstanding principal amount of the Prior Bonds, as follows:

(a) **Prior CFD No. 10 Bonds:** Proceeds of the CFD No. 10 Bonds deposited into an Escrow Fund relating to the Prior CFD No. 10 Bonds, together with collected Special Tax funds on hand deposited into the Escrow Fund, will be used (i) to pay debt service on the Prior CFD No. 10 Bonds on March 1, 2015 and (ii) on March 1, 2015, to redeem the Prior CFD No. 10 Bonds maturing after March 1, 2015 at a redemption price equal to 101% of the principal amount to be redeemed, together with accrued interest to the Redemption Date.

(b) **Prior CFD No. 13-1 Bonds:** Proceeds of the CFD No. 13-1 Bonds deposited into an Escrow Fund relating to the Prior CFD No. 13-1 Bonds, together with collected Special Tax funds on hand deposited into the Escrow Fund, will be used (i) to pay debt service on the Prior CFD No. 13-1 Bonds on March 1, 2015 and (ii) on March 1, 2015, to redeem the Prior CFD No. 13-1 Bonds maturing after March 1, 2015 at a redemption price equal to 101% of the principal amount to be redeemed, together with accrued interest to the Redemption Date.

(c) **Prior CFD No. 14 Bonds:** Proceeds of the CFD No. 14 Bonds deposited into an Escrow Fund relating to the Prior CFD No. 14 Bonds, together with collected Special Tax funds on hand deposited into the Escrow Fund, will be used (i) to pay debt service on the Prior CFD No. 14 Bonds on March 1, 2015 and (ii) on March 1, 2015, to redeem the Prior CFD No. 14 Bonds maturing after March 1, 2015 at a redemption price equal to 101% of the principal amount to be redeemed, together with accrued interest to the Redemption Date.

(d) **Prior CFD No. 15-2 Bonds:** Proceeds of the CFD No. 15-2 Bonds deposited into an Escrow Fund relating to the Prior CFD No. 15-2 Bonds, together with collected Special Tax funds on hand deposited into the Escrow Fund, will be used (i) to pay debt service on the Prior CFD No. 15-2 Bonds on March 1, 2015

and (ii) on March 1, 2015, to redeem the Prior CFD No. 15-2 Bonds maturing after March 1, 2015 at a redemption price equal to 101% of the principal amount to be redeemed, together with accrued interest to the Redemption Date.

(e) Prior CFD No. 17 Bonds: Proceeds of the CFD No. 17 Bonds deposited into an Escrow Fund relating to the Prior CFD No. 17 Bonds, together with collected Special Tax funds on hand deposited into the Escrow Fund, will be used (i) to pay debt service on the Prior CFD No. 17 Bonds on March 1, 2015 and (ii) on March 1, 2015, to redeem the Prior CFD No. 17 Bonds maturing after March 1, 2015 at a redemption price equal to 101% of the principal amount to be redeemed, together with accrued interest to the Redemption Date.

(f) Prior CFD No. 18 Bonds: Proceeds of the CFD No. 18 Bonds deposited into an Escrow Fund relating to the Prior CFD No. 18 Bonds, together with collected Special Tax funds on hand deposited into the Escrow Fund, will be used (i) to pay debt service on the Prior CFD No. 18 Bonds on March 1, 2015 and (ii) on March 1, 2015, to redeem the Prior CFD No. 18 Bonds maturing after March 1, 2015 at a redemption price equal to 101% of the principal amount to be redeemed, together with accrued interest to the Redemption Date.

(g) Prior CFD No. 21-2 Bonds: Proceeds of the CFD No. 21-2 Bonds deposited into an Escrow Fund relating to the Prior CFD No. 21-2 Bonds, together with collected Special Tax funds on hand deposited into the Escrow Fund, will be used (i) to pay debt service on the Prior CFD No. 21-2 Bonds on March 1, 2015 and (ii) on March 1, 2015, to redeem the Prior CFD No. 21-2 Bonds maturing after March 1, 2015 at a redemption price equal to 103% of the principal amount to be redeemed, together with accrued interest to the Redemption Date.

(h) Prior CFD No. 22 Bonds: Proceeds of the CFD No. 22 Bonds deposited into an Escrow Fund relating to the Prior CFD No. 22 Bonds, together with collected Special Tax funds on hand deposited into the Escrow Fund, will be used (i) to pay debt service on the Prior CFD No. 22 Bonds on March 1, 2015 and (ii) on March 1, 2015, to redeem the Prior CFD No. 22 Bonds maturing after March 1, 2015 at a redemption price equal to 102% of the principal amount to be redeemed, together with accrued interest to the Redemption Date.

(i) Prior CFD No. 24 Bonds: Proceeds of the CFD No. 24 Bonds deposited into an Escrow Fund relating to the Prior CFD No. 24 Bonds, together with collected Special Tax funds on hand deposited into the Escrow Fund, will be used (i) to pay debt service on the Prior CFD No. 24 Bonds on March 1, 2015 and (ii) on March 1, 2015, to redeem the Prior CFD No. 24 Bonds maturing after March 1, 2015 at a redemption price equal to 102% of the principal amount to be redeemed, together with accrued interest to the Redemption Date.

Certain moneys in the existing funds and accounts relating to the Prior Bonds also will be transferred to the Escrow Funds and be applied to the defeasance of the Prior Bonds. See “— Estimated Sources and Uses of Funds” below. See also “MISCELLANEOUS — Verification of Mathematical Accuracy” below.

Estimated Sources and Uses of Funds

The Bonds. The anticipated sources and uses of funds relating to the Bonds are as follows:

Sources:	
Principal Amount of the Bonds	\$ _____
Plus/Less Net Original Issue Premium/Discount	_____
Total Sources	\$ _____
Uses:	
District Bonds Purchase Fund ⁽¹⁾	\$ _____
Total Uses	\$ _____

⁽¹⁾ Proceeds deposited in the District Bonds Purchase Fund will be used to acquire the District Bonds.

District Bonds. The anticipated sources and uses of funds relating to the District Bonds are as follows:

Sources:	<i>CFD No. 10</i>	<i>CFD No. 13-1</i>	<i>CFD No. 14</i>	<i>CFD No. 15-2</i>	<i>CFD No. 17</i>
Par Amount	\$	\$	\$	\$	\$
Plus/Less Net Premium/Discount					
Prior Bonds' Debt Service Reserve					
Prior Bonds' Debt Service Fund	_____	_____	_____	_____	_____
Total Sources	<u><u>\$</u></u>	<u><u>\$</u></u>	<u><u>\$</u></u>	<u><u>\$</u></u>	<u><u>\$</u></u>
Uses:					
Escrow Fund	\$	\$	\$	\$	\$
Cost of Issuance Fund ⁽¹⁾					
Underwriter's Discount	_____	_____	_____	_____	_____
Total Uses	<u><u>\$</u></u>	<u><u>\$</u></u>	<u><u>\$</u></u>	<u><u>\$</u></u>	<u><u>\$</u></u>

⁽¹⁾ On the date of issuance of the Bonds and the District Bonds, each District will deposit a proportionate share of the proceeds of its District Bonds into its Cost of Issuance Fund. Amounts in the Cost of Issuance Fund will be used to pay Trustee fees, Fiscal Agent Fees, Bond Counsel fees, Disclosure Counsel fees, Financial Advisor fees, Verification Agent fees, Escrow Agent fees, insurance premium, reserve surety premium, printing costs, rating agency fees and other related costs.

Sources:	<i>CFD No. 18</i>	<i>CFD No. 21-2</i>	<i>CFD No. 22</i>	<i>CFD No. 24</i>	<i>Total</i>
Par Amount	\$	\$	\$	\$	\$
Plus/Less Net Premium/Discount					
Prior Bonds' Debt Service Reserve					
Prior Bonds' Debt Service Fund	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Sources	<u>\$ </u>	<u>\$ </u>	<u>\$ </u>	<u>\$ </u>	<u>\$ </u>
Uses:					
Escrow Fund	\$	\$	\$	\$	\$
Cost of Issuance Fund ⁽¹⁾					
Underwriter's Discount	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Uses	<u>\$ </u>	<u>\$ </u>	<u>\$ </u>	<u>\$ </u>	<u>\$ </u>

⁽¹⁾ On the date of issuance of the Bonds and the District Bonds, each District will deposit a proportionate share of the proceeds of its District Bonds into its Cost of Issuance Fund. Amounts in the Cost of Issuance Fund will be used to pay Trustee fees, Fiscal Agent Fees, Bond Counsel fees, Disclosure Counsel fees, Financial Advisor fees, Verification Agent fees, Escrow Agent fees, insurance premium, reserve surety premium, printing costs, rating agency fees and other related costs.

THE BONDS

General Provisions

The Bonds will be dated their date of delivery, and will be issued in the aggregate principal amounts set forth on the inside cover of this Official Statement. The Bonds will bear interest from their dated date at the rates per annum set forth on the inside cover of this Official Statement, payable on September 1, 2015 and semiannually on each March 1 and September 1 thereafter (each, an “Interest Payment Date”), and will mature in the amounts and on the dates set forth on the inside front cover. The Bonds will be issued in fully registered form in integral multiples of \$5,000.

Interest on the Bonds will be payable on each Interest Payment Date to the person whose name appears on the Registration Books as the Owner as of the Record Date immediately preceding each Interest Payment Date. Interest will be paid by check of the Trustee mailed on the Interest Payment Date by first class mail, postage prepaid, to the Owner at the address as it appears on the Registration Books or by wire transfer to an account in the United States of America upon instructions of any Owner of \$1,000,000 or more in aggregate principal amount of Bonds provided to the Trustee, in writing, prior to any Record Date for such Interest Payment Date. Any such written request shall remain in effect until rescinded in writing by the Owner. The Bonds are issued in fully registered form and will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository of the Bonds. Ownership interests in the Bonds may be purchased in book-entry form only in integral multiples \$5,000. See the subsection hereof entitled “Book-Entry Only System.”

Principal of and premium (if any) on any Bond will be paid upon presentation and surrender, at maturity or the prior redemption, at the Trust Office of the Trustee.

Each Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date; provided, however, that if, as of the date of authentication of any Bond, interest is in default, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment.

Redemption

Optional Redemption. * [The Bonds maturing on or prior to September 1, 2024 are not subject to optional redemption. The Bonds maturing on or after September 1, 2025 are subject to redemption prior to their stated maturity dates on any date on or after March 1, 2025, as selected by the Authority, in integral multiples of \$5,000, at the option of the School District from moneys derived by the Authority from any source, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest to the date of redemption, without premium.] [DISCUSS]

* Preliminary, subject to change.

Mandatory Redemption from Special Tax Prepayments. * The Bonds are subject to mandatory redemption prior to their stated maturity dates on any Interest Payment Date, as selected by the Authority, in integral multiples of \$5,000, from moneys derived by the Authority from mandatory redemption of the District Bonds as a result of Special Tax Prepayments, at redemption prices (expressed as percentages of the principal amounts of the Bonds to be redeemed), together with accrued interest to the date of redemption, as follows:

Redemption Period	Redemption Price
September 1, 2015, through September 1, 2022	103%
March 1, 2023 and September 1, 2023	102
March 1, 2024 and September 1, 2024	101
March 1, 2025 and any Interest Payment Date thereafter	100

Mandatory Sinking Fund Redemption. The Bonds maturing on September 1, 20__ are subject to mandatory sinking fund redemption prior to maturity, in part, on September 1, 20__, and on each September 1 thereafter by lot, from sinking fund payments at a redemption price equal to the principal amount of Bonds to be redeemed, together with accrued interest to the date of redemption, without premium, as follows:

Redemption Date (September 1)	Redemption Amount
	\$

(maturity)

The amounts in the foregoing mandatory sinking fund payment schedule with respect to the Term Bonds will be reduced by the Authority pro rata among redemption dates, in order to maintain substantially level debt service with respect to the Bonds, as a result of any prior or partial redemption of the Bonds.

Notice of Redemption. The Trustee on behalf and at the expense of the Authority shall mail (by first class mail) notice of any redemption to the respective Owners of any Bonds designated for redemption at their respective addresses appearing on the Registration Books, and to the Securities Depositories and to one or more Information Services, at least 30 but not more than 60 days prior to the date fixed for redemption; provided, however, that neither failure to receive any such notice so mailed nor any defect shall affect the validity of the proceedings for the redemption of such Bonds or the cessation of the accrual of interest. Such notice shall state the date of the notice, the redemption date, the redemption place, the redemption price and shall designate the CUSIP numbers and the serial numbers of the Bonds of each maturity or maturities (except that in the event of redemption of all of the Bonds of any maturity in whole, the Trustee shall designate such maturity without referencing the number of each individual Bond) of the Bonds to be redeemed, and shall require that such Bonds be then surrendered at the Trust Office of the Trustee for redemption at the redemption price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date. The Trustee shall not be liable or responsible for giving notice of redemption unless it receives notice of such redemption from the Authority at least 45 days prior to the date of redemption.

* Preliminary, subject to change.

Additionally, on receiving notice from the Fiscal Agent pursuant to any of the Fiscal Agent Agreements, the Authority shall notify the Trustee that Bonds are to be redeemed as described above, utilizing the moneys which will be received by the Trustee as the redemption prices of the District Bonds which are to be redeemed. Upon receiving such a notice from the Authority, the Trustee shall mail notice of the redemption of the Bonds which are to be redeemed to the Owners as described above.

In the case of an optional or mandatory redemption of Bonds, such notice may also provide that such redemption of the Bonds is contingent upon receipt by the Trustee, on or before the redemption date, of moneys sufficient to pay the redemption price for the Bonds to be redeemed, and that such notice will be cancelled and of no further effect if such moneys are not so received by the Trustee.

Selection of Bonds of a Maturity for Redemption. Whenever provision is made in the Indenture for the optional redemption or mandatory redemption from Special Tax Prepayments of less than all or a portion of the Bonds of a maturity, the Authority shall select the Bonds pro rata among such maturities to be redeemed or portion thereof not previously called for redemption in any manner which the Authority in its sole discretion shall deem appropriate. For purposes of such selection, all Bonds to be redeemed shall be treated as separate \$5,000 portions and such portions shall be treated as separate Bonds which may be separately redeemed.

Partial Redemption of Bonds. In the event only a portion of any Bond is called for redemption, upon surrender of such Bond the Authority shall execute and the Trustee shall authenticate and deliver to the Owner, at the expense of the Authority, a new Bond or Bonds of the maturity date, of authorized denominations, in aggregate principal amount equal to the unredeemed portion of the Bond to be redeemed.

Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the principal of and interest (and premium, if any) on the Bonds called for redemption shall have been duly provided, such Bonds shall cease to be entitled to any benefit under the Indenture other than the right to receive payment of the redemption price, and no interest shall accrue from and after the redemption date specified in such notice. All Bonds redeemed pursuant to the Indenture shall be cancelled and shall be destroyed by the Trustee.

Payment, Registration, Transfer and Exchange of Bonds

Book-Entry Only System. The Bonds will be issued as fully registered bonds, 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 above, under the book-entry system maintained by DTC, only through brokers and dealers who are or act through DTC Participants as described in this Official Statement. Beneficial Owners will not be entitled to receive physical delivery of the Bonds. See “THE BONDS — Book-Entry Only System.” In the event that the book-entry-only system is no longer used with respect to the Bonds, the Bonds will be registered and transferred in accordance with the Indenture.

Transfer of Bonds. Subject to the book-entry only provisions of the Indenture, any Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer in a form approved by the Trustee, duly executed. Whenever any Bond shall be surrendered for transfer, the Authority shall execute and the Trustee shall authenticate and deliver to the transferee a new Bond or Bonds of like tenor, maturity and aggregate principal amount. The Trustee will require the Owner requesting such transfer to pay any tax or other governmental charge required to be paid with respect to such transfer. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer shall be paid by the Authority. The Trustee shall not be required to transfer either (a) any Bonds during the 15 day period preceding the selection of Bonds for redemption, or (b) any Bonds selected for redemption pursuant to the Indenture.

Exchange of Bonds. Subject to the book-entry only provisions of the Indenture, Bonds may be exchanged at the Trust Office of the Trustee for Bonds of the same tenor and maturity and of other authorized denominations. The Trustee shall require the Owner requesting such exchange to pay any tax or other governmental charge required to be paid with respect to such exchange. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any exchange shall be paid by the Authority. The Trustee shall not be required to exchange either (a) any Bonds during the 15-day period preceding the selection of Bonds for redemption, or (b) any Bonds selected for redemption pursuant to the Indenture.

Registration Books. The Trustee will keep or cause to be kept at its Trust Office sufficient records for the registration and transfer of the Bonds, which shall at all times during regular business hours be open to inspection by the Authority with reasonable prior notice; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said records, Bonds as provided in the Indenture.

Book-Entry Only System

While the Bonds are subject to the book-entry system, the principal, interest and any redemption premium with respect to a Bond will be paid by the Trustee to DTC, which in turn is obligated to remit such payment to its DTC Participants for subsequent disbursement to Beneficial Owners of the Bonds, as described in APPENDIX G — “DTC AND THE BOOK-ENTRY ONLY SYSTEM.” So long as Cede & Co. is the registered owner of the Bonds, references in this Official Statement to the Owners of the Bonds shall mean Cede & Co. and *not* the Beneficial Owners of the Bonds. The Authority gives no assurance that DTC or the DTC Participants will distribute payments or notices to Beneficial Owners.

Estimated Debt Service Schedules: Bonds and District Bonds

The District Bonds acquired with proceeds of the Bonds mature on different dates. Consequently, the source of security for debt service on the Bonds varies depending upon the characteristics of the underlying Taxing Jurisdictions. The following table presents the debt service schedules for the Bonds, assuming there are no redemptions of Bonds prior to their respective maturities (other than as a result of mandatory sinking fund payments):

**TABLE 1
DEBT SERVICE SCHEDULE FOR THE BONDS**

<i>Year Ending September 1</i>	<i>Principal</i>	<i>Interest</i>	<i>Total Debt Service</i>
2015	\$	\$	\$
2016			
2017			
2018			
2019			
2020			
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
Total	<u>\$</u>	<u>\$</u>	<u>\$</u>

The following table summarizes the anticipated debt service payments to be received by the Authority as the result of its ownership of the District Bonds, assuming there are no redemptions of District Bonds prior to their respective maturities (other than as a result of mandatory sinking fund payments). The following schedule does not include an allowance for delinquencies in the payment of Special Taxes.

TABLE 2
DEBT SERVICE SCHEDULE FOR THE DISTRICT BONDS

<i>Bond Year Ending September 1</i>	<i>CFD No. 10</i>	<i>CFD No. 13-1</i>	<i>CFD No. 14</i>	<i>CFD No. 15-2</i>	<i>CFD No. 17</i>
2015	\$	\$	\$	\$	\$
2016					
2017					
2018					
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					
2037					
Total	\$ =====	\$ =====	\$ =====	\$ =====	\$ =====

<i>Bond Year Ending September 1</i>	<i>CFD No. 18</i>	<i>CFD No. 21-2</i>	<i>CFD No. 22</i>	<i>CFD No. 24</i>	<i>Total Revenues</i>
2015	\$	\$	\$	\$	\$
2016					
2017					
2018					
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					
2037					
Total	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

Debt Service Coverage for the Bonds

Scheduled payments of principal of, including mandatory sinking fund payments, and interest on the Bonds equals 100% of the projected Revenues that will be generated by the anticipated payment of debt service on each of the District Bonds while the Bonds are outstanding.

**RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY
DEBT SERVICE COVERAGE***

<i>Year Ending September 1</i>	<i>Total Revenues⁽¹⁾</i>	<i>Bonds Debt Service</i>	<i>Bonds Debt Service Coverage⁽²⁾</i>
2015	\$3,189,719	\$3,189,719	100.00%
2016	3,189,450	3,189,450	100.00
2017	3,208,250	3,208,250	100.00
2018	3,234,450	3,234,450	100.00
2019	3,247,650	3,247,650	100.00
2020	3,248,250	3,248,250	100.00
2021	3,277,500	3,277,500	100.00
2022	3,291,750	3,291,750	100.00
2023	3,296,500	3,296,500	100.00
2024	3,327,000	3,327,000	100.00
2025	3,351,750	3,351,750	100.00
2026	3,355,750	3,355,750	100.00
2027	3,379,750	3,379,750	100.00
2028	3,402,500	3,402,500	100.00
2029	3,413,750	3,413,750	100.00
2030	3,438,750	3,438,750	100.00
2031	3,461,500	3,461,500	100.00
2032	3,476,750	3,476,750	100.00
2033	3,499,500	3,499,500	100.00
2034	3,519,000	3,519,000	100.00
2035	2,820,000	2,820,000	100.00
2036	748,000	748,000	100.00
2037	273,000	273,000	100.00

* Preliminary, subject to change.

(1) Revenues consist of debt service on the District Bonds.

(2) Total Revenues divided by Bonds Debt Service, expressed as a percentage.

Source: David Tausig & Associates, Inc.

Debt Service Coverage for the District Bonds

Annual debt service for each of the District Bonds has been structured so that Maximum Special Taxes that can be levied on property categorized as Developed Property in the applicable Taxing Jurisdiction for Fiscal Year 2015-16, less the Priority Administrative Expense Amount and assuming no delinquencies, would generate in each fiscal year not less than 110% of debt service payable with respect to such District Bonds. See “THE TAXING JURISDICTIONS” and APPENDIX A — “INFORMATION REGARDING THE TAXING JURISDICTIONS.”

SECURITY FOR THE BONDS

General

As described below, the Bonds are payable primarily from Revenues, consisting primarily of amounts received by the Authority as the result of its purchase of the District Bonds.

The Bonds are special obligations of the Authority payable solely from and secured solely by the Revenues pledged in the Indenture. The Bonds are not a debt or liability of the School District, the State of California or any political subdivisions of the State of California other than the Authority to the limited extent described in this Official Statement. The faith and credit of the Authority are not pledged to secure the payment of Bonds, nor is any of the Authority's political subdivisions liable, nor in any event shall the Bonds or any interest or redemption premium be payable out of any funds or properties other than those of the Authority as set forth in the Indenture. The Authority has no taxing power.

Revenues; Flow of Funds

Revenues. The Bonds are secured by a first lien on and pledge of all of the Revenues. So long as any of the Bonds are Outstanding, the Revenues will not be used for any purpose except as is expressly permitted by the Indenture.

“Revenues” includes all amounts received by the Trustee from the Fiscal Agent or the School District with respect to the District Bonds. Revenues include amounts received by the Trustee from the School District from the collection of delinquent installments of Special Taxes levied on parcels of property within any of the Taxing Jurisdictions for which such installments are delinquent and penalties and interest.

Assignment of Revenues. Pursuant to the Indenture, the Authority has transferred in trust and assigned to the Trustee for the benefit of the Owners of the Bonds, all of the Revenues and all of the right, title and interest of the Authority in the District Bonds and the Fiscal Agent Agreements. The Trustee is entitled to and will receive all of the Revenues, and any Revenues collected or received by the Authority will be deemed to be held, and to have been collected or received, by the Authority as the agent of the Trustee and will forthwith be paid by the Authority to the Trustee. The Trustee also will be entitled to and will take all steps, actions and proceedings reasonably necessary in its judgment to enforce, either jointly with the Authority or separately, all of the rights of the Authority and all of the obligations of the School District and the Taxing Jurisdictions under the District Bonds and the Fiscal Agent Agreements.

Deposit of Revenues. All Revenues derived from the District Bonds will be promptly deposited by the Trustee upon receipt in the Revenue Fund, which the Trustee shall establish, maintain and hold in trust under the Indenture.

Application of Revenues. On or before each date on which interest, principal or the redemption price for the Bonds becomes due and payable, the Trustee shall transfer from the Revenue Fund and deposit into the following respective accounts (each of which the Trustee shall establish and maintain within the Revenue Fund), the following amounts in the order of priority described below, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

Interest Account. On or before each March 1 and September 1, the Trustee shall deposit in the Interest Account amounts required to cause the amount on deposit in the Interest Account to equal the amounts of interest becoming due and payable on the Bonds, on such date. No deposit need be made into the Interest Account on any date if the amount on deposit is at least equal to the interest becoming due and payable on the Bonds or on such date. All moneys in the Interest Account shall be

used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds redeemed prior to maturity). All amounts on deposit in the Interest Account on the first day of any Bond Year, to the extent not required to pay any interest then having become due and payable on the Outstanding Bonds, shall be withdrawn by the Trustee and transferred to the Surplus Account.

Principal Account. On or before each September 1, the Trustee shall deposit in the Principal Account amounts required to cause the aggregate amount on deposit in the Principal Account to equal the principal amounts of the Bonds becoming due and payable on such date, or the redemption price of the Bonds (consisting of the principal amount and any applicable redemption premium) required to be redeemed on such date. All moneys in the Principal Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Bonds at the maturity. All amounts on deposit in the Principal Account on the first day of any Bond Year, to the extent not required to pay the principal of any Outstanding Bonds then having become due and payable shall be withdrawn by the Trustee and transferred to the Surplus Account.

Reserve Fund. After making required deposits to the Interest and Principal Accounts, the Trustee shall deposit moneys available in the Revenue Fund to the Reserve Fund in an amount necessary to restore the amount therein to the Reserve Requirement.

Surplus Account of the Revenue Fund. On the first Business Day following each Interest Payment Date, the Trustee shall transfer any moneys remaining on deposit in the Revenue Fund to the Surplus Account. On or before the March 1 Interest Payment Date in each Bond Year, the Trustee shall transfer moneys from the Surplus Account, to the extent of the moneys on deposit and in the order of priority described below, to the Interest Account in an amount equal to any deficiency in the amount of other moneys which are on deposit in the Revenue Fund and available for transfer to and deposit in such account to pay the full amount of the interest on the Bonds which is due and payable on such Interest Payment Date.

On or before the September 1 Interest Payment Date in each Bond Year, the Trustee shall transfer moneys from the Surplus Account, to the extent of the moneys on deposit, first to the Interest Account and thereafter to the Principal Account in amounts equal to any deficiency in the amount of other moneys which are on deposit in the Revenue Fund and available for transfer to and deposit in such accounts to pay the full amount of the interest on and principal of the Bonds which is due and payable on such Interest Payment Date.

On September 2 of each year, commencing on September 2, 2015, the Trustee shall transfer from the amount remaining on deposit in the Surplus Account first to the Reserve Fund the amount, if any, which is necessary to bring the amount on deposit equal to the Reserve Requirement, and after making any such transfer, the Trustee shall transfer the full amount of any moneys remaining on deposit in the Surplus Account to the Fiscal Agent for deposit in the Special Tax Funds established and maintained pursuant to the Fiscal Agent Agreements. The amount to be deposited by the Fiscal Agent in each such Special Tax Fund on September 2 of each such year shall be determined by dividing the total amount of the Revenues for the preceding Fiscal Year by the amount of the Debt Service on the District Bonds for each District for the Bond Year (as defined in such Fiscal Agent Agreements) which ended on the preceding September 1, and such amounts shall be determined by the School District and specified in a certificate of an Authorized Officer of the School District which shall be delivered to the Fiscal Agent (upon which the Fiscal Agent may conclusively rely) at least two Business Days before September 2 of each such year.

On or before May 30 of each year, commencing on May 30, 2015, the Trustee shall notify the Authority and the School District of the amount which is then on deposit in the Surplus Account and

of the aggregate amount of the principal of and interest on the Bonds which will become due and payable on the following September 1.

In the event that moneys on deposit in the Revenue Fund, including moneys on deposit in the Surplus Account, will be insufficient on any Interest Payment Date for the Trustee to deposit the required amounts in the Interest Account and the Principal Account, or either of such accounts, as provided above, the Trustee shall deposit the available funds first to the Interest Account in the full amount required to cause the aggregate amount on deposit to equal the amount of interest becoming due and payable on the Bonds on the Interest Payment Date, and shall then deposit the remaining available funds in the Revenue Fund to the Principal Account in the full amount required to cause the aggregate amount on deposit to equal the amount, if any, of principal becoming due and payable on the Bonds on the Interest Payment Date.

Reserve Fund

The Trustee shall establish, maintain and hold in trust the “Reserve Fund.” Moneys in the Reserve Fund shall be held in trust by the Trustee for the benefit of the Owners of the Bonds or, if Parity Bonds are issued, the Bonds and such Parity Bonds. Parity Bonds may only be issued for refunding purposes. See “— Parity Bonds” below.

The Reserve Fund will be initially funded by the deposit of a reserve surety therein in the amount of the Reserve Requirement. The “Reserve Requirement” shall equal \$_____ as of the Closing Date, which is the lesser of (i) 10% of the total of the proceeds of the sale of the Bonds, (ii) total of Maximum Annual Debt Service on the Bonds or (iii) 125% of the total of average Annual Debt Service on the Bonds. The Reserve Requirement may be reduced on any Calculation Date. “Calculation Date” means (1) September 2 of any Bond Year prior to the final maturity date of any District Bond; and (2) any date after the redemption of Bonds pursuant to the provisions of the Indenture providing for optional redemption of the Bonds and mandatory redemption of the Bonds from Special Tax Prepayments.

Except as otherwise provided in the Indenture, all amounts deposited in the Reserve Fund shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and Principal Account in the event of any deficiency at any time in either such account of the amount then required for payment of the principal of and interest and any premium on the Bonds or for the purpose of redeeming the Bonds.

As provided in each of the Fiscal Agent Agreements, amounts transferred from the Reserve Fund to the Interest Account and the Principal Account as a result of a deficiency in the collection of the Special Tax Revenues that relate to any District (a “Delinquent District”), shall be restored by the School District from the collection of delinquent installments on the Special Taxes levied on parcels within the Delinquent District, or Delinquent Districts, for which such installments are delinquent, with related penalties and interest, whether by judicial foreclosure proceedings or otherwise, as soon as is reasonably possible following receipt by the School District of such delinquent installments, penalties and interest, and from amounts which the School District is obligated, pursuant to the applicable Fiscal Agent Agreement, to include in the levy of Special Taxes on parcels within the Delinquent District(s) in subsequent Fiscal Years.

Transfers on Payment of Special Tax Prepayment. Whenever the Trustee receives from the Fiscal Agent (i) an Officer’s Certificate received from the School District, pursuant to the Fiscal Agent Agreement for any District and its Outstanding District Bonds notifying the Fiscal Agent that the obligation of a lot or parcel of property within the District identified in such Officer’s Certificate (the “Specified District”), for the payment of the Special Taxes with respect to the District Bonds of the Specified District, has been fully paid and satisfied by payment of a Special Tax Prepayment, and (ii) the amount of the redemption price, except the portion which will be provided from the Transferred Amount (as defined below) for the Outstanding District Bonds of the Specified District which are being redeemed as a result of such Special Tax Prepayment, which

shall also be specified in such Officer's Certificate, and following the deposit of such amount in the Redemption Fund, the Trustee shall transfer from the Reserve Fund, to the extent that funds are available, to the Redemption Fund the amount, as specified in such Officer's Certificate, which the Trustee is to transfer from the Reserve Fund to the Redemption Fund. Each such Officer's Certificate shall be accompanied by a report of the Special Tax Consultant verifying the accuracy of the calculation of the amount to be transferred from the Reserve Fund to the Redemption Fund ("Verification").

Upon receipt of such an Officer's Certificate and accompanying Verification, and the amount of such redemption price, the Trustee is authorized to act without further inquiry to the same extent as it is authorized to act upon receipt of a Certificate of the Authority, shall not be responsible for the accuracy of the statements contained in such Certificate of the Authority, and shall be absolutely protected and incur no liability in relying on such Officer's Certificate and the accompanying Verification. Upon each such transfer of an amount (the "Transferred Amount") of moneys from the Reserve Fund to the Redemption Fund, an amount of the principal of the Outstanding District Bonds of the Specified District equal to the maximum portion of the Transferred Amount which is equally divisible by \$5,000 shall be deemed to have been redeemed (the "Redeemed Amount"), and the Trustee shall utilize a portion of the Transferred Amount which is equal to the Redeemed Amount to redeem the Bonds.

The Trustee shall transfer the portion, if any, of the Transferred Amount in excess of the Redeemed Amount to the Principal Account, and shall utilize such amount to pay the principal of the Bonds on the next Interest Payment Date upon which such principal is due and payable. Notwithstanding any other provision of the Indenture, upon each such transfer of moneys from the Reserve Fund to the Redemption Fund or the Principal Account, the Reserve Requirement shall be reduced correspondingly.

Transfers on Payment of Final Installments of the Special Taxes. Prior to the Final Payment Date for the Outstanding District Bonds of any District (the "Maturing District Bonds"), the Trustee shall transfer a portion of the amount on deposit in the Reserve Fund to the Revenue Fund for the payment of the portion of the debt service on the Outstanding Bonds which relates to the Maturing District Bonds.

Notwithstanding the provisions described above under the preceding paragraph, the Trustee shall not transfer any amount from the Reserve Fund to the Principal Account if any amount which has previously been withdrawn from the Reserve Fund has not been restored by the School District as provided in the Indenture.

Parity Bonds

The Authority may issue Parity Bonds for the purpose of defeasing and refunding all or a portion of the Outstanding Bonds or any Parity Bonds which may, but need not, be accomplished through the purchase of District Bonds issued by any District, by means of a Supplemental Indenture and without the consent of any Bond Owners, pursuant to the provisions of the Indenture. See APPENDIX B — "SUMMARY OF PRINCIPAL LEGAL DOCUMENTS — DISCHARGE OF INDENTURE." The Authority will covenant in the Indenture that except for the issuance of Parity Bonds to defease or refund all or a portion of the Outstanding Bonds or any Parity Bonds, no additional bonds, notes or other indebtedness will be issued or incurred which are payable out of the Revenues, in whole or in part.

SECURITY FOR THE DISTRICT BONDS

General

Each District Bond is a special obligation of the School District on behalf of the applicable Tax Jurisdiction, payable solely from and secured solely by Special Tax Revenues (defined below), less the Priority Administrative Expense Amount for each Taxing Jurisdiction, collected in the applicable Taxing Jurisdiction, the amounts in the Bond Fund, including the Special Tax Prepayments Account for the purpose of redeeming

District Bonds, and the Special Tax Fund, including the Surplus Account, established in each Fiscal Agent Agreement, and the Reserve Fund.

No District Bond (and no Parity Bonds issued under the Fiscal Agent Agreement relating to the District Bonds, each a “District Bond Parity Bond”) is a legal or equitable pledge, charge, lien or encumbrance upon any of the District’s property, or upon any of its income, receipts or revenues, except the Special Tax Revenues collected in the applicable District and other amounts in the Special Tax Fund.

None of the Special Taxes levied in one Taxing Jurisdiction may be used to pay debt service on the District Bonds of another Taxing Jurisdiction. Except for the Special Tax Revenues for each Taxing Jurisdiction, neither the credit nor the taxing power of the Taxing Jurisdictions or the School District is pledged for the payment of the District Bonds or related interest, and no Owner of the District Bonds may compel the exercise of taxing power by a District or the forfeiture of any of its property. The principal of and interest on the District Bonds and premiums upon redemption, if any, are not a debt of any District or the School District, the State of California or any of its political subdivisions within the meaning of any constitutional or statutory limitation or restriction.

Special Tax Revenues

The “Special Taxes” for each Taxing Jurisdiction are levied and collected according to the rates and method of apportionment (each, a “Rates and Method”) established for such Taxing Jurisdiction. See “THE TAXING JURISDICTIONS,” APPENDIX A — “INFORMATION REGARDING THE TAXING JURISDICTIONS” and APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

The “Special Tax Revenues” pledged by each District to the related the District Bonds (and any related District Bond Parity Bonds) is defined in the Fiscal Agent Agreements as the proceeds of the Special Taxes received by the School District, including any scheduled payments, interest and penalties and proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of the Special Taxes in the amount of the delinquent special taxes and related interest and penalties.

“Special Taxes” means the special taxes levied by the Board of Education of the School District on parcels of taxable property within the applicable Taxing Jurisdiction pursuant to the Mello-Roos Act and the applicable Fiscal Agent Agreement to pay debt service on the District Bonds and Administrative Expenses.

Levy of Special Taxes. The School District has covenanted in the Fiscal Agent Agreements to comply with all requirements of the Mello-Roos Act, including the enactment of necessary Ordinances, so as to assure the timely collection of Special Tax Revenues, including without limitation, the enforcement of the payment or collection of delinquent Special Taxes.

Under each Fiscal Agent Agreement, on or within five Business Days of May 1 of each year, the Fiscal Agent shall provide the School District with a notice stating the amount then on deposit in the Special Tax Fund, the Bond Fund and the Reserve Fund. Upon receipt of such notice, the School District shall communicate with the Auditor-Controller of the County of Riverside (the “Auditor”) to ascertain the relevant parcels on which the Special Taxes are to be levied, taking into account any parcel splits during the preceding and then current Fiscal Year.

The School District will levy Special Taxes each Fiscal Year in accordance with the Mello-Roos Act by August 1 of each year (or such later date as may be authorized by the Mello-Roos Act) that the District Bonds are Outstanding, such that the computation of the levy is complete before the final date on which the Auditor will accept the transmission of the Special Tax amounts for the parcels within the District for inclusion on the tax roll for the Fiscal Year then beginning.

Upon the completion of the computation of the amounts of the levy of the Special Taxes, the School District shall prepare or cause to be prepared, and shall transmit to the Auditor, such data as the Auditor requires to include the levy of the Special Taxes on the tax roll. Notwithstanding the above, the Board of Education of the School District may elect, as permitted by the Mello-Roos Act, to collect the Special Taxes to be levied for any Fiscal Year directly from the owners of the parcels of taxable property upon which the Special Taxes are levied rather than by transmitting the Special Taxes to the Auditor for collection on the tax roll; provided that, in such event, the School District shall otherwise comply with the provisions of the Fiscal Agent Agreements.

Collection of Special Tax Revenues. The School District shall fix and levy the amount of Special Taxes within the District required for the payment of the principal of and interest on any Outstanding District Bonds becoming due and payable during the ensuing calendar year, including any necessary replenishment or expenditure of the Reserve Fund, and the amount estimated to be sufficient to pay the Administrative Expenses during such calendar year.

The Special Taxes shall be payable and be collected (except in the event of judicial foreclosure proceedings) in the same manner and at the same time and in the same installments as the general taxes on real property are payable, and have the same priority, become delinquent at the same times and in the same proportionate amounts and bear the same proportionate penalties and interest after delinquency as do the general taxes on real property.

The School District will not, in collecting the Special Taxes or in processing any such judicial foreclosure proceedings, exercise any authority which it has pursuant to Sections 53340, 53344.1, 53356.1 and 53356.8 of the California Government Code in any manner which would materially and adversely affect the interests of the District Bondowners and, in particular, will not permit the tender of District Bonds in full or partial payment of any Special Taxes except upon receipt of a certificate of an Independent Financial Consultant that to accept such tender will not result in the School District having insufficient Special Tax Revenues to pay the principal of and interest on the District Bonds remaining Outstanding following such tender.

Disbursements from the Special Tax Fund. As soon as practicable after the receipt from the School District of any Special Tax Revenues, but no later than ten Business Days after such receipt, the Fiscal Agent shall withdraw from the Special Tax Fund and deposit in the Administrative Expense Fund the Priority Administrative Expense Amount.

After such deposit, on or before each Interest Payment Date, the Fiscal Agent shall deposit in the Interest Account and the Principal Account of the Bond Fund the amounts required to pay the interest on and principal of the District Bonds on such Interest Payment Date. If after such deposits are made to the Administrative Expense Fund, the Interest Account and the Principal Account there are funds remaining on deposit in the Special Tax Fund, the School District shall instruct the Fiscal Agent by a written communication from an Authorized Officer (upon which the Fiscal Agent may conclusively rely) to transfer such amount from the Special Tax Fund (including the Surplus Account) to the Trustee to restore the Reserve Fund to the applicable District Bond Reserve Requirement if the Taxing Jurisdiction is a "Delinquent District" pursuant to the Indenture.

On or before the March 1 Interest Payment Date in each Bond Year, if the amount of other moneys which is on deposit in the Special Tax Fund is less than the amount of the interest on the applicable District Bonds which is due on such Interest Payment Date, the Fiscal Agent shall transfer moneys from the Surplus Account, to the extent of moneys on deposit in the Surplus Account and available for transfer, to and deposit such moneys in the Interest Account of the Bond Fund in an amount not to exceed the deficiency in the amount of other moneys which are on deposit in the Special Tax Fund, and available for transfer, to pay the full amount of the interest on the applicable District Bonds which is due and payable on such Interest Payment Date.

On or before the September 1 Interest Payment Date in each Bond Year, if the amount of moneys which is on deposit in the Special Tax Fund is less than the amount of the interest on and principal of the Bonds which is due on such Interest Payment Date, the Fiscal Agent shall transfer moneys from the Surplus Account, to the extent of moneys on deposit in the Surplus Account and available for transfer, to and deposit such moneys in the Interest Account and the Principal Account in amounts not to exceed the amount of the deficiency in the amount of other moneys which are on deposit in the Special Tax Fund, and available for transfer, to pay the full amount of the interest on and principal of the Bonds which is due and payable on such Interest Payment Date.

Notwithstanding the foregoing, any amounts received by the School District which constitute Special Tax Prepayments shall be transferred by the School District immediately upon receipt to the Fiscal Agent for deposit by the Fiscal Agent in the Special Tax Prepayments Account established pursuant to the applicable Fiscal Agent Agreement.

Reserve Fund Replenishment. In levying the Special Taxes to replenish the Reserve Fund, if the School District receives a written notification from the Authority Trustee pursuant to the Authority Indenture that amounts have been withdrawn from the Reserve Fund to pay debt service on the Bonds and if the School District determines that such amounts were withdrawn as a result of delinquencies in the payment of Special Taxes levied on parcels in the applicable Taxing Jurisdiction, the School District in such Taxing Jurisdiction shall, to the extent legally permissible, include in the levy of the Special Taxes for the following Fiscal Year in such Taxing Jurisdiction, the amount necessary to restore the Authority Bonds Reserve Fund Proportionate Share, as defined below, to the Reserve Fund. The Special Taxes so levied shall not, in any event, exceed the maximum amounts provided for in the applicable Rates and Method.

“Authority Bonds Reserve Fund Proportionate Share” means the District’s proportionate share of the Reserve Requirement, as of the Closing Date. The Authority Bonds Reserve Fund Proportionate Share shall be reduced upon redemption of the District Bonds and shall be used as a credit to debt service in the final year of payment on the District Bonds.

10% Limitation on Increases in the Special Tax Levy as a Result of Delinquencies. Section 53321 of the Act states that under no circumstances will the Special Tax levied in any fiscal year against any parcel used for private residential purposes (parcels are considered “used for private residential purposes” on the date that an occupancy permit for private residential use is issued) be increased as a consequence of delinquency or default by more than 10% above the amount that would have been levied in that fiscal year had there never been any such delinquencies or defaults. Therefore, even though the maximum Special Tax rates may allow for Special Tax increases greater than 10%, in the event of high delinquencies in a Taxing Jurisdiction, the School District could not increase the Special Taxes in the Taxing Jurisdiction in the fiscal year following such delinquencies by more than 10% on the residential units. See “SPECIAL RISK FACTORS — Special Tax Delinquencies.”

No Teeter Plan. Although the Riverside County Board of Supervisors has adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the “Teeter Plan”) which allows each entity levying secured property taxes in the County to draw on the amount of property taxes levied rather than the amount actually collected, as provided for in Section 4701 *et seq.* of the California Revenue and Taxation Code, none of the Taxing Jurisdictions are included in the County Teeter Plan. Consequently, the Taxing Jurisdictions may not draw on the County Tax Loss Reserve Fund in the event of delinquencies in Special Tax payments within the Taxing Jurisdictions.

District Bond Parity Bonds

Each Fiscal Agent Agreement authorizes the applicable District to issue additional bonds secured by Special Tax Revenues on a parity with the related District Bonds but only for the purpose of refunding all or a

portion of the District Bonds or District Bond Parity Bonds of such District. District Bonds shall only be refunded if a corresponding amount of Bonds are refunded.

Priority of Lien

Each installment of the Special Taxes and any related interest and penalties, constitutes a lien on the parcel of land on which it was imposed until the same is paid. Such lien is co-equal to and independent of the lien for general taxes, any other community facilities district special taxes or special assessments. See “THE TAXING JURISDICTIONS” and “APPENDIX A — “INFORMATION REGARDING THE TAXING JURISDICTIONS.”

Covenants of the School District

In each Fiscal Agent Agreement, the School District, on behalf of each Taxing Jurisdiction, covenants as follows, among other things:

Punctual Payment. The School District will punctually pay or cause to be paid the principal of and interest and any premium on the District Bonds when and as due in strict conformity with the terms of the Fiscal Agent Agreement and any Supplemental Agreement to the extent that the Special Tax Revenues are available, and it will faithfully observe and perform all of the conditions, covenants and requirements of the Fiscal Agent Agreement and all Supplemental Agreements and of the District Bonds.

Against Encumbrance. The School District will not mortgage or otherwise encumber, pledge or place any charge upon any of the Special Tax Revenues except as provided in the related Fiscal Agent Agreement, and will not issue any obligation or security having a lien or charge upon the Special Tax Revenues superior to or on a parity with the related District Bonds (other than related District Bond Parity Bonds). Nothing in the Fiscal Agent Agreement prevents the District from issuing or incurring indebtedness which is payable from a pledge of Special Tax Revenues which is subordinate in all respects to the pledge of Special Tax Revenues to repay the related District Bonds and the related District Bond Parity Bonds.

Levy of Special Tax. So long as any District Bonds or District Bond Parity Bonds are Outstanding, the legislative body of the District will levy the related Special Tax in an amount sufficient, together with other amounts on deposit in the Special Tax Fund and available for such purpose, to pay the principal of and interest on such District Bonds and any such District Bond Parity Bonds when due, and the applicable Administrative Expense Requirement (the “Special Tax Requirement”). The School District further covenants that each District will take no actions that would discontinue or cause the discontinuance of the Special Tax levy or the District’s authority to levy the Special Tax for so long as the related District Bonds and any related District Bond Parity Bonds are outstanding.

Commence Foreclosure Proceedings. The School District covenants with and for the benefit of the Owners of the District Bonds as follows: (i) it will order, and cause to be commenced, judicial foreclosure proceedings against properties in the District with delinquent Special Taxes in excess of \$5,000 by the October 1 following the close of the Fiscal Year in which such Special Taxes were due, and (ii) it will commence judicial foreclosure proceedings against all properties in the District with delinquent Special Taxes by the October 1 following the close of each Fiscal Year in which it receives Special Taxes in an amount which is less than 95% of the total Special Taxes levied, and diligently pursue to completion such foreclosure proceedings.

Reduction of Maximum Special Taxes. The School District covenants that, to the extent that it is legally permitted to avoid doing so, it will not initiate and conduct proceedings to reduce the maximum rates of Special Taxes which are authorized to be levied on taxable parcels of property within the Taxing Jurisdictions (the “Maximum Rates”). The School District further covenants that in the event an ordinance is adopted by initiative pursuant to Section 3 of Article XIII C of the California Constitution, which purports to reduce or

otherwise alter the Maximum Rates, it will commence and pursue legal action seeking to preserve its ability to comply with such covenant.

Redemption of District Bonds. Upon any redemption of District Bonds, the Special Tax Consultant or an Independent Financial Consultant shall provide a report demonstrating the Revenues remaining to be paid from the other Taxing Jurisdictions together with any amounts remaining to be paid under the Fiscal Agent Agreement are sufficient to pay debt service on the Bonds.

Rights of Authority Trustee. The School District has granted to the Trustee the right to pursue any remedy at law or in equity to enforce any and all of the covenants, obligations and agreements of the School District contained in the Fiscal Agent Agreements.

BOND INSURANCE

The information under this caption has been prepared by the Insurer for inclusion in this Official Statement. Neither the Authority nor the Underwriter has reviewed this information, nor do the Authority or the Underwriter make any representation with respect to the accuracy or completeness thereof. The following information is not complete and reference is made to APPENDIX H for a specimen of the Policy.

[TO COME]

THE TAXING JURISDICTIONS

The Taxing Jurisdictions in the Aggregate

Introduction. Set forth under this caption is certain information describing the Taxing Jurisdictions in the aggregate and separate sections on each of them. Although the Authority believes the information with respect to the Taxing Jurisdictions in the aggregate is relevant to an informed decision to purchase the Bonds, investors should be aware that the debt service on one District Bond may not be used to make up any shortfall in the debt service on another District Bond. Moreover, the parcels in each of the Taxing Jurisdictions are taxed according to that Taxing Jurisdiction's specific Rates and Method, and the Special Taxes may only be applied to pay the debt service on the District Bonds of the Taxing Jurisdiction in which they are levied and not on the debt service of any other District Bonds.

Potential investors should further be aware that Special Taxes are levied against individual parcels within each Taxing Jurisdiction and that any such parcel may have a value-to-lien ratio less than the overall value-to-lien ratio for such Taxing Jurisdiction and less than the value-to-lien ratio of the Taxing Jurisdictions in the aggregate.

Development Status. The Taxing Jurisdictions are fully built out. As of November 1, 2014, 1,642 dwelling units within the Taxing Jurisdictions were completed and sold to individual homeowners. The table below summarizes the total dwelling units completed and sold to individual homeowners as of November 1, 2014.

**TABLE 3
RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY
THE TAXING JURISDICTIONS IN AGGREGATE
DEVELOPMENT STATUS AS OF NOVEMBER 1, 2014**

<i>District</i>	<i>Approximate Gross Acres</i>	<i>Lots with Building Permits Issued as of Fiscal Year 2014-15 Levy</i>	<i>Completed Single Family Detached Units Owned by Individual Owners as of 11/1/2014</i>	<i>Percent of Units Owned by Individual Owners as of 11/1/2014</i>	<i>% of Buildout</i>
CFD No. 10	21	94	94	100.00%	100.00%
CFD No. 13, IA No. 1	87	208	208	100.00	100.00
CFD No. 14	31	307	307	100.00	100.00
CFD No. 15, IA No. 2	117	403	403	100.00	100.00
CFD No. 17	16	110	110	100.00	100.00
CFD No. 18	141	72	72	100.00	100.00
CFD No. 21, IA No. 2	62	65	65	100.00	100.00
CFD No. 22	30	160	160	100.00	100.00
CFD No. 24	<u>65</u>	<u>229</u>	<u>215⁽¹⁾</u>	<u>93.89</u>	<u>100.00</u>
Total	570	1,648	1,634	99.15	100.00

⁽¹⁾ Of the 229 single family detached units, there are 8 parcels owned by California Baptist University and 6 parcels owned by Regents of the University of California.

Source: David Taussig & Associates, Inc.

Value-To-Lien Ratios. The assessed values of all of the taxable property in the Taxing Jurisdictions, as established by the County Assessor for Fiscal Year 2014-15, was \$570,437,436. The following Table No. 4 shows the aggregate assessed value-to-lien ratios of all the taxable property in the Taxing Jurisdictions based on the County Assessor’s assessed values for Fiscal Year 2014-15, based on the aggregate principal amount of the District Bonds. See “—Estimated Direct and Overlapping Indebtedness” in APPENDIX A for each District.

TABLE 4
RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY
THE TAXING JURISDICTIONS IN AGGREGATE
ASSESSED VALUE-TO-LIEN RATIOS

<i>District</i>	<i>District Bonds*</i>	<i>Percent of Total District Bonds*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽¹⁾</i>	<i>Percent of Total FY 2014-15 Assessed Value</i>	<i>Assessed Value-to-Lien Ratio^{*(2)}</i>
CFD No. 10	\$ 1,165,000	2.67%	\$ 24,721,747	4.33%	17.47
CFD No. 13, IA No. 1	5,870,000	13.46	105,398,010	18.48	15.24
CFD No. 14	4,805,000	11.02	69,717,087	12.22	12.62
CFD No. 15, IA No. 2	14,965,000	34.33	148,448,235	26.02	8.93
CFD No. 17	2,375,000	5.45	23,940,620	4.20	9.13
CFD No. 18	2,200,000	5.05	52,072,832	9.13	19.02
CFD No. 21, IA No. 2	2,880,000	6.61	38,730,078	6.79	11.72
CFD No. 22	4,295,000	9.85	48,978,619	8.59	10.21
CFD No. 24	<u>5,040,000</u>	<u>11.56</u>	<u>58,430,208</u>	<u>10.24</u>	<u>10.39</u>
Total	<u>\$ 43,595,000</u>	<u>100.00%</u>	<u>\$ 570,437,436</u>	<u>100.00</u>	<u>11.51</u>

* Preliminary, subject to change.

(1) Based on values as of January 1, 2014 as provided by the County of Riverside. Assessed Value is the sum of Land Value and Improvement Value.

(2) Includes District Outstanding Bond and Overlapping Outstanding Bond amounts.

Source: David Taussig & Associates, Inc.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in the Taxing Jurisdictions for Fiscal Year 2014-15. For the Special Tax levies, collections and delinquency rates for the last six fiscal years in each of the Taxing Jurisdictions, see APPENDIX A — “INFORMATION REGARDING THE TAXING JURISDICTIONS.”

TABLE 5
RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY
THE TAXING JURISDICTIONS IN AGGREGATE
SPECIAL TAX LEVIES, DELINQUENCIES AND DELINQUENCY RATES
FISCAL YEAR 2013-14
AS OF NOVEMBER 3, 2014

<i>District</i>	<i>Fiscal Year 2013-14 Special Tax Levy</i>	<i>Percent of Fiscal Year 2013-14 Special Tax Levy</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
CFD No. 10	\$ 79,223	2.17%	\$ 0	0.00%
CFD No. 13, IA No. 1	548,561	15.03	1,360	0.25
CFD No. 14	432,862	11.86	1,305	0.30
CFD No. 15, IA No. 2	1,302,385	35.68	9,853	0.76
CFD No. 17	166,321	4.56	0	0.00
CFD No. 18	201,084	5.51	0	0.00
CFD No. 21, IA No. 2	197,387	5.41	0	0.00
CFD No. 22	387,202	10.61	0	0.00
CFD No. 24	<u>335,273</u>	<u>9.18</u>	<u>1,395</u>	<u>0.42</u>
Total	\$ 3,650,298	100.00%	\$ 13,913	0.38%

Source: David Taussig & Associates, Inc.

For additional information concerning each of the Taxing Jurisdictions, see APPENDIX A — “INFORMATION REGARDING THE TAXING JURISDICTIONS.”

SPECIAL RISK FACTORS

The purchase of the Bonds involves certain investment risks which are discussed throughout this Official Statement. Each prospective investor should make an independent evaluation of all information presented in this Official Statement in order to make an informed investment decision. Particular attention should be given to the factors described below which, among others, could affect the payment of debt service on Bonds.

Risks of Real Estate - Secured Investments Generally

Because the timely payment of debt service on the Bonds will be dependent upon the timely payment of the District Bonds and the timely payment of the District Bonds will be dependent upon the timely payment of Special Taxes, which are secured ultimately by the Taxable Property within the Taxing Jurisdictions, the Bond Owners will be subject to the risks generally incident to an investment secured by real estate, including, without limitation, (i) adverse changes in local market conditions, such as changes in the market value of real property in and around the vicinity of the Taxing Jurisdictions, the supply of or demand for competitive properties in such area, and the market value of residential property or buildings and/or sites in the event of sale or foreclosure; (ii) changes in real estate tax rates and other operating expenses, governmental rules (including, without limitation, zoning laws and laws relating to endangered species and hazardous materials) and fiscal policies; and (iii) natural disasters (including, without limitation, earthquakes and floods), which may result in uninsured losses.

The Bonds are Limited Obligations of the Authority

The Bonds are limited obligations of the Authority payable only from amounts pledged under the Indenture, which consist primarily of payments made to the Trustee on the District Bonds and amounts in the Reserve Fund. Funds for the payment of the principal of and the interest on the District Bonds are derived only from payments of Special Taxes. The amount of Special Taxes that are collected could be insufficient to pay principal of and interest on the District Bonds due to non-payment of the Special Taxes levied or due to insufficient proceeds received from a judicial foreclosure sale of land within the Taxing Jurisdictions following delinquency. A District's legal obligation with respect to any delinquent Special Taxes are limited to the institution of judicial foreclosure proceedings under certain circumstances with respect to any parcels for which Special Taxes is delinquent. The Bonds cannot be accelerated in the event of any default.

Failure by owners of the parcels within the Taxing Jurisdictions to pay Special Tax installments when due, delay in foreclosure proceedings, or the inability of the Taxing Jurisdictions to sell parcels which have been subject to foreclosure proceedings for amounts sufficient to cover the delinquent installments of Special Taxes levied against such parcels may result in the inability of the Taxing Jurisdictions to make full or timely payments of debt service on the District Bonds, which may, in turn, result in the depletion of the Reserve Fund and the inability of the Authority to make full or timely payment on the Bonds.

Limited Obligations

The Bonds are not obligations of the School District. The District Bonds are limited obligations of the School District. The District Bonds are not payable from the general funds of the School District. Except with respect to the Special Taxes, neither the credit nor the taxing power of the Taxing Jurisdictions or the School District is pledged for the payment of the District Bonds, and except to compel a levy of the Special Taxes securing the District Bonds, no Owner of the Bonds may compel the exercise of any taxing power by the Taxing Jurisdictions or the School District. The Owners of the Bonds may not force the forfeiture of any property of the School District or the Taxing Jurisdictions.

No Cross-Collateralization Between Taxing Jurisdictions

The District Bonds are not cross-collateralized. In other words, the Special Taxes from one Taxing Jurisdiction cannot be used to cover any shortfall in the payment of debt service on the District Bonds of another Taxing Jurisdiction.

Potential Early Redemption of Bonds from Prepayments

Property owners within the Taxing Jurisdictions are permitted to prepay their Special Taxes at any time. Such prepayments will result in a redemption of District Bonds on the first March 1 or September 1 which is more than 30 days following the receipt of the prepayment. The proceeds of the District Bonds so redeemed will then be used to make a mandatory redemption of the Bonds. Each Fiscal Agent Agreement provides that the School District will not accept any Special Tax prepayment unless a special tax consultant certifies that Special Taxes that may be levied on the taxable property within the applicable Taxing Jurisdiction both prior to and after the proposed prepayment is and will be at least 1.1 times the amount of maximum annual debt service on the applicable outstanding District Bonds plus the applicable Priority Administrative Expense Amount. See "THE BONDS — Redemption — Special Redemption."

Property Values

The value of property within the Taxing Jurisdictions is an important factor in evaluating the investment quality of the Bonds. In the event that a property owner defaults in the payment of Special Tax installment, a District's only remedy is to judicially foreclose the delinquent parcel. Prospective purchasers of the Bonds should not assume that delinquent parcels property within the Taxing Jurisdictions could be sold for

the assessed values described in this Official Statement at a foreclosure sale for delinquent Special Tax installments or for an amount adequate to pay delinquent Special Tax installments.

The assessed values set forth in this Official Statement do not represent market values arrived at through an appraisal process and generally reflect only the sales price of a parcel when acquired by its current owner, adjusted annually by an amount determined by the Riverside County Assessor, generally not to exceed an increase of more than 2% per fiscal year (except in the case of new construction subsequent to such acquisition). The assessed values utilized in this Official Statement reflect the “equalized roll” prepared by the County for Fiscal Year 2014-15, which reflects property values as of January 1, 2014. The equalized roll incorporates County assessed properties and therefore excludes property assessed by the State Board of Equalization, on utilities.

The actual market value of the property is subject to future events such as downturn in the economy, occurrences of certain acts of nature and the decisions of various governmental agencies as to land use, all of which could adversely impact the value of the land in the Taxing Jurisdictions which is the security for the District Bonds, which secure the Bonds. As discussed in this Official Statement, many factors could adversely affect property values or prevent or delay further land development within the Taxing Jurisdictions.

Natural Disasters

The land within the Taxing Jurisdictions, like all California communities, may be subject to unpredictable seismic activity, fires, flood, or other natural disasters. Southern California is a seismically active area. Seismic activity represents a potential risk for damage to buildings, roads, bridges and property within the Taxing Jurisdictions. In addition, land susceptible to seismic activity may be subject to liquefaction during the occurrence of such event.

In the event of a severe earthquake, fire, flood or other natural disaster, there may be significant damage to both property and infrastructure in the Taxing Jurisdictions. As a result, a substantial portion of the property owners may be unable or unwilling to pay the Special Taxes when due. In addition, the value of land in the Taxing Jurisdictions could be diminished in the aftermath of such a natural disaster, reducing the resulting proceeds of foreclosure sales in the event of delinquencies in the payment of Special Taxes.

Hazardous Substances

The value of a parcel may be reduced as a result of the presence of a hazardous substance. In general, the owners and operators of a parcel may be required by law to remedy conditions of the parcel relating to releases or threatened releases of hazardous substances. The Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as “CERCLA” or the “Superfund Act,” is the most well-known and widely applicable of these laws, but California laws with regard to hazardous substances are also stringent and similar. Under many of these laws, the owner or operator is obligated to remedy a hazardous substance condition of property whether or not the owner or operator has anything to do with creating or handling the hazardous substance. The effect, therefore, should any of the taxed parcels be affected by a hazardous substance, is to reduce the marketability and value of the parcel by the costs of remedying the condition, because the purchaser, upon becoming owner, will become obligated to remedy the condition just as is the seller.

Further, it is possible that liabilities may arise in the future with respect to any of the parcels resulting from the existence, currently, on the parcel of a substance presently classified as hazardous but which has not been released or the release of which is not presently threatened, or may arise in the future resulting from the existence, currently on the parcel of a substance not presently classified as hazardous but which may in the future be so classified. Further, such liabilities may arise not simply from the existence of a hazardous substance but from the method of handling it. All of these possibilities could significantly affect the value of a parcel that is realizable upon a delinquency.

None of the Authority, the Taxing Jurisdictions or the School District has knowledge of any hazardous substances being located on the property within the Taxing Jurisdictions.

Parity Taxes and Special Assessments

Property within the Taxing Jurisdictions is subject to taxes and other charges levied by several other public agencies. See the discussion of direct and overlapping indebtedness in APPENDIX A — “INFORMATION REGARDING THE TAXING JURISDICTIONS.” Neither the Authority, the Taxing Jurisdictions nor the School District has control over the ability of other entities and districts to issue indebtedness secured by special taxes or assessments payable from all or a portion of the property within the Taxing Jurisdictions.

The Special Taxes and any related penalties will constitute a lien against the lots and parcels of land on which they will be annually imposed until they are paid. Such lien is on a parity with the lien of all special taxes and special assessments levied by other agencies and is co-equal to and independent of the lien for general *ad valorem* property taxes regardless of when they are imposed upon the same property. The Special Taxes have priority over all existing and future private liens imposed on the property. See “— Bankruptcy and Foreclosure” below.

Payment of the Special Tax is not a Personal Obligation of the Owners

An owner of a taxable parcel is not personally obligated to pay the Special Tax. Rather, the Special Tax is an obligation which is secured only by a lien against the taxable parcel. If the proceeds received from the sale of a taxable parcel following a Special Tax delinquency are not sufficient, taking into account other liens imposed by public agencies, to pay the full amount of the Special Tax delinquency, the District has no recourse against the owner of the parcel.

Disclosures to Future Purchasers

The willingness or ability of an owner of a parcel to pay the Special Tax may be affected by whether or not the owner was given due notice of the Special Tax authorization at the time the owner purchased the parcel, was informed of the amount of the Special Tax on the parcel should the Special Tax be levied at the maximum tax rate and the risk of such a levy and, at the time of such a levy, has the ability to pay it as well as pay other expenses and obligations. The School District has caused a notice of the Special Tax that may be levied against the taxable parcels in each Tax Jurisdiction to be recorded in the Office of the Recorder for the County. While title companies normally refer to such notices in title reports, there can be no guarantee that such reference will be made or, if made, that a prospective purchaser or lender will consider such Special Tax obligation in the purchase of a property within the Taxing Jurisdictions or lending of money thereon.

The Mello-Roos Act requires the subdivider (or its agent or representative) of a subdivision to notify a prospective purchaser or long-term lessor of any lot, parcel, or unit subject to a Mello-Roos special tax of the existence and maximum amount of such special tax using a statutorily prescribed form. California Civil Code Section 1102.6b requires that in the case of transfers other than those covered by the above requirement, the seller must at least make a good faith effort to notify the prospective purchaser of the special tax lien in a format prescribed by statute. Failure by an owner of the property to comply with the above requirements, or failure by a purchaser or lessor to consider or understand the nature and existence of the Special Tax, could adversely affect the willingness and ability of the purchaser or lessor to pay the Special Tax when due.

Special Tax Delinquencies

Under provisions of the Mello-Roos Act, the Special Taxes, from which funds necessary for the payment of principal of and interest on the District Bonds and, thus, the Bonds are derived, are customarily billed to the properties within each District on the *ad valorem* property tax bills sent by the County to owners

of such properties. The Mello-Roos Act currently provides that such Special Tax installments are due and payable, and bear the same penalties and interest for non-payment, as do *ad valorem* property tax installments.

See the delinquency tables in Appendix A — “INFORMATION REGARDING THE TAXING JURISDICTIONS” for the delinquency history of each Taxing Jurisdiction over the last five Fiscal Years.

See “SECURITY FOR THE DISTRICT BONDS — Covenants of the School District — *Commence Foreclosure Proceedings*,” for a discussion of the provisions which apply, and procedures which the School District is obligated to follow under the Fiscal Agent Agreements, in the event of delinquencies in the payment of Special Taxes. See “— Bankruptcy and Foreclosure” below for a discussion of the policy of the Federal Deposit Insurance Corporation (the “FDIC”) regarding the payment of special taxes and assessment and limitations on the District’s ability to foreclose on the lien of the Special Taxes in certain circumstances.

The School District has the authority and the obligation, subject to the Act and the maximum Special Tax rates set forth in each Rates and Method, to increase the levy of Special Taxes against non-delinquent property owners in the applicable Taxing Jurisdiction in the event other owners such Taxing Jurisdiction are delinquent. Pursuant to each Rates and Method, under no circumstances may the Special Tax levied against any parcel used for private residential purposes be increased as a consequence of delinquency or default by owner of any other parcel or parcels within the Taxing Jurisdiction by more than 10% in any fiscal year. Thus, the School District may not be able to increase Special Tax levies in future fiscal years by enough to make up for delinquencies for prior fiscal years. This would result in draws on the Reserve Fund, and if delinquencies continue and in the aggregate exceed the Reserve Fund balance, defaults would occur in the payment of principal and interest on the Bonds.

Insufficiency of Special Taxes

Notwithstanding that the maximum Special Taxes that may be levied in the Taxing Jurisdictions exceeds debt service due on the District Bonds, the Special Taxes collected could be inadequate to make timely payment of debt service either because of nonpayment or because property becomes exempt from taxation.

The Rates and Method of Apportionment of Special Tax governing the levy of the Special Taxes within each Taxing Jurisdiction expressly exempts up to a specified number of acres of property owned by public entities, homeowner associations, churches and other specified owners. If for any reason property within a Taxing Jurisdiction becomes exempt from taxation by reason of ownership by a non-taxable entity such as the federal government, another public agency or other organization determined to be exempt, subject to the limitations of the maximum authorized rates, the Special Tax will be reallocated to the remaining taxable properties within such Taxing Jurisdiction. This could result in certain owners of property paying a greater amount of the Special Tax and could have an adverse impact upon the ability and willingness of the owners of such property to pay the Special Tax when due.

The Mello-Roos Act provides that, if any property within a Taxing Jurisdiction not otherwise exempt from the Special Tax is acquired by a public entity through a negotiated transaction, or by gift or devise, the Special Tax will continue to be levied on and enforceable against the public entity that acquired the property. In addition, the Mello-Roos Act provides that, if property subject to the Special Tax is acquired by a public entity through eminent domain proceedings, the obligation to pay the Special Tax with respect to that property is to be treated as if it were a special assessment and be paid from the eminent domain award. The constitutionality and operation of these provisions of the Mello-Roos Act have not been tested in the courts. Due to problems of collecting taxes from public agencies, if a substantial portion of land within a Taxing Jurisdiction became exempt from the Special Tax because of public ownership, or otherwise, the maximum Special Taxes which could be levied upon the remaining taxable property therein might not be sufficient to pay principal of and interest on the related District Bonds when due and a default could occur with respect to the

payment of such principal and interest, and, in turn, a default could occur in the payment of the principal and interest on the Bonds.

Pursuant to each Rates and Method, under no circumstances may the Special Tax levied against any parcel used for private residential purposes be increased as a consequence of delinquency or default by owner of any other parcel or parcels within a Taxing Jurisdiction by more than 10% in any fiscal year. Thus, the School District may not be able to increase Special Tax levies in future fiscal years by enough to make up for delinquencies for prior fiscal years. This would result in draws on the Reserve Fund, and if delinquencies continue and in the aggregate exceed the Reserve Fund balance, defaults would occur in the payment of principal and interest on the Bonds. See “SECURITY FOR THE DISTRICT BONDS — Special Tax Revenues — 10% Limitation on Increases in the Special Tax Levy as a Result of Delinquencies.”

FDIC/Federal Government Interests in Properties

The ability of the School District to collect interest and penalties specified by the Act and to foreclose the lien of delinquent Special Taxes may be limited in certain respects with regard to parcels in which the FDIC, or other federal government entities such as Fannie Mae, Freddie Mac, the Drug Enforcement Agency, the Internal Revenue Service or other federal agency, has or obtains an interest.

In the case of FDIC, in the event that any financial institution making a loan which is secured by parcels is taken over by the FDIC and the applicable Special Tax is not paid, the remedies available to the Taxing Jurisdictions may be constrained. The FDIC’s policy statement regarding the payment of state and local real property taxes (the “Policy Statement”) provides that taxes other than *ad valorem* taxes which are secured by a valid lien in effect before the FDIC acquired an interest in a property will be paid unless the FDIC determines that abandonment of its interests is appropriate. The Policy Statement provides that the FDIC generally will not pay installments of non-*ad valorem* taxes which are levied after the time the FDIC acquires its fee interest, nor will the FDIC recognize the validity of any lien to secure payment except in certain cases where the Resolution Trust Corporation had an interest in property on or prior to December 31, 1995. Moreover, the Policy Statement provides that, with respect to parcels on which the FDIC holds a mortgage lien, the FDIC will not permit its lien to be foreclosed out by a taxing authority without its specific consent, nor will the FDIC pay or recognize liens for any penalties, fines or similar claims imposed for the non-payment of taxes.

The FDIC has taken a position similar to that expressed in the Policy Statement in legal proceedings brought against Orange County in United States Bankruptcy Court and in Federal District Court. The Bankruptcy Court issued a ruling in favor of the FDIC on certain of such claims. Orange County appealed that ruling, and the FDIC cross-appealed. On August 28, 2001, the Ninth Circuit Court of Appeals issued a ruling favorable to the FDIC except with respect to the payment of pre-receivership liens based upon delinquent property tax.

The School District is unable to predict what effect the application of the Policy Statement would have in the event of a delinquency with respect to parcels in which the FDIC has or obtains an interest, although prohibiting the lien of the FDIC to be foreclosed out at a judicial foreclosure sale would prevent or delay the foreclosure sale.

In the event a parcel of taxable property is owned by a federal government entity or federal government sponsored entity, such as Fannie Mae or Freddie Mac, or a private deed of trust secured by a parcel of taxable property is owned by a federal government entity or federal government sponsored entity, such as Fannie Mae or Freddie Mac, the ability to foreclose on the parcel or to collect delinquent Special Taxes may be limited. The supremacy clause of the United States Constitution reads as follows: “This Constitution, and the Laws of the United States which shall be made in Pursuance thereof; and all Treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, anything in the Constitution or Laws of any State to the contrary

notwithstanding.” In the absence of Congressional intent to the contrary, a state or local agency cannot foreclose to collect delinquent taxes or assessments if foreclosure would impair the federal government interest. This means that, unless Congress has otherwise provided, if a federal government entity owns a parcel of taxable property but does not pay taxes and assessments levied on the parcel (including Special Taxes), the applicable state and local governments cannot foreclose on the parcel to collect the delinquent taxes and assessments.

Moreover, unless Congress has otherwise provided, if the federal government has a mortgage interest in the parcel and the School District wishes to foreclose on the parcel as a result of delinquent Special Taxes, the property cannot be sold at a foreclosure sale unless it can be sold for an amount sufficient to pay delinquent taxes and assessments on a parity with the Special Taxes and preserve the federal government’s mortgage interest. For a discussion of risks associated with taxable parcels within the Taxing Jurisdictions becoming owned by the federal government, federal government entities or federal government sponsored entities, see “— Insufficiency of Special Taxes.”

The School District’s remedies may also be limited in the case of delinquent Special Taxes with respect to parcels in which other federal agencies (such as the Internal Revenue Service and the Drug Enforcement Administration) have or obtain an interest.

Bankruptcy and Foreclosure

In the event of a delinquency in the payment of the Special Taxes, the School District, under certain circumstances, is required to commence enforcement proceedings as described under the heading “SECURITY FOR THE DISTRICT BONDS — Covenants of the School District.” However, prosecution of such proceedings could be delayed due to crowded local court calendars, dilatory legal tactics, or bankruptcy. It is also possible that the School District will be unable to realize proceeds in an amount sufficient to pay the applicable delinquency. Moreover, the ability of the Taxing Jurisdictions to commence and prosecute enforcement proceedings may be limited by bankruptcy, insolvency and other laws generally affecting creditors’ rights (such as the Soldiers’ and Sailors’ Relief Act of 1940) and by the laws of the State relating to judicial and non-judicial foreclosure. Although bankruptcy proceedings would not cause the liens of the Special Taxes to become extinguished, bankruptcy of a property owner could result in a delay in the enforcement proceedings because federal bankruptcy laws provide for an automatic stay of foreclosure and tax sale proceedings. Any such delay could increase the likelihood of delay or default in payment of the principal of and interest on the District Bonds. The various legal opinions delivered in connection with the issuance of the Bonds, including Bond Counsel’s approving legal opinion, are qualified as to the enforceability of the Bonds, the Indenture, the District Bonds and the District Fiscal Agent Agreements by reference to bankruptcy, reorganization, moratorium, insolvency and other laws affecting the rights of creditors generally or against public corporations such as the Taxing Jurisdictions.

No Acceleration Provision

The Bonds do not contain a provision allowing for the acceleration of the Bonds in the event of a payment default or other default under the terms of the Bonds or the Indenture. Pursuant to the Indenture, an Owner of the Bonds is given the right for the equal benefit and protection of all owners similarly situated to pursue certain remedies described in Appendix B — “SUMMARY OF PRINCIPAL LEGAL DOCUMENTS — SUMMARY OF AUTHORITY INDENTURE — EVENTS OF DEFAULT AND REMEDIES.”

Limitations on Remedies

Remedies available to the Owners of the Bonds may be limited by a variety of factors and may be inadequate to assure the timely payment of principal of and interest on the Bonds or to preserve the exclusion from gross income for federal income tax purposes of interest on the Bonds.

Bond Counsel has limited its opinion as to the enforceability of the Bonds and of the Indenture to the extent that enforceability may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium, or other similar laws affecting generally the enforcement of creditors' rights, by equitable principles, by the exercise of judicial discretion and by limitations on remedies against public agencies in the State. The lack of availability of certain remedies or the limitation of remedies may entail risks of delay, limitation or modification of the rights of the owners of the Bonds.

Loss of Tax Exemption

As discussed under the caption "LEGAL MATTERS — Tax Matters," interest on the Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date the Bonds were issued, as a result of future acts or omissions of the Authority or the School District in violation of covenants in the Indenture or the Fiscal Agent Agreements, respectively. Should such an event of taxability occur, the Bonds are not subject to a special redemption and will remain outstanding until maturity or until redeemed under one of the other redemption provisions contained in the Indenture.

Future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, 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. Should such an event of taxability occur, the Bonds are not subject to a special redemption and will remain outstanding until maturity or until redeemed under one of the other redemption provisions contained in the Indenture.

A change in the tax status of the interest on the Bonds would likely affect the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

It is possible that subsequent to the issuance of the Bonds there might be federal, State, or local statutory changes (or judicial or regulatory interpretations of federal, State, or local law) that affect the federal, State, or local tax treatment of the Bonds or the market value of the Bonds. No assurance can be given that subsequent to the issuance of the Bonds such changes or interpretations will not occur. See "LEGAL MATTERS — Tax Matters" below.

Limited Secondary Market

There can be no guarantee that there will be a secondary market for the Bonds, or, if a secondary market exists, that the Bonds can be sold for any particular price. Although the Authority has committed to provide certain financial information and operating data on an annual basis, there can be no assurance that such information will be available to Beneficial Owners of the Bonds on a timely basis. The failure to provide the required annual information does not give rise to monetary damages but merely an action for specific performance. Occasionally, because of general market conditions, lack of current information, the absence of a credit rating, or adverse history or economic prospects connected with a particular issue, secondary marketing practices in connection with a particular issue are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then prevailing circumstances. Such prices could be substantially different from the original purchase price.

Proposition 218

An initiative measure commonly referred to as the "Right to Vote on Taxes Act" (the "Initiative") was approved by the voters of the State of California at the November 5, 1996 general election. The Initiative added Article XIIC and Article XIID to the California Constitution. According to the "Title and Summary" of the Initiative prepared by the California Attorney General, the Initiative limits "the authority of local

governments to impose taxes and property-related assessments, fees and charges.” The provisions of the Initiative continue to be interpreted by the courts. The Initiative could potentially impact the Special Taxes available to the School District to pay the principal of and interest on the District Bonds as described below.

Among other things, Section 3 of Article XIII states that “. . . the initiative power shall not be prohibited or otherwise limited in matters of reducing or repealing any local tax, assessment, fee or charge.” The Mello-Roos Act provides for a procedure which includes notice, hearing, protest and voting requirements to alter the rates and method of apportionment of an existing special tax. However, the Mello-Roos Act prohibits a legislative body from adopting any resolution to reduce the rate of any special tax or terminate the levy of any special tax pledged to repay any debt incurred pursuant to the Mello-Roos Act unless such legislative body determines that the reduction or termination of the special tax would not interfere with the timely retirement of that debt. On August 1, 1997, a bill was signed into law by the Governor of the State enacting Government Code Section 5854, which states that:

Section 3 of Article XIII C of the California Constitution, as adopted at the November 5, 1996, general election, shall not be construed to mean that any owner or beneficial owner of a municipal security, purchased before or after that date, assumes the risk of, or in any way consents to, any action by initiative measure that constitutes an impairment of contractual rights protected by Section 10 of Article I of the United States Constitution.

Accordingly, although the matter is not free from doubt, it is likely that the Initiative has not conferred on the voters the power to repeal or reduce the Special Taxes if such reduction would interfere with the timely retirement of the District Bonds.

It may be possible, however, for voters or the Board of Education of the School District, acting as the legislative body of each District, to reduce the Special Taxes in a manner which does not interfere with the timely repayment of the District Bonds, but which does reduce the maximum amount of Special Taxes that may be levied in any year below the existing levels. Therefore, no assurance can be given with respect to the levy of Special Taxes for Administrative Expenses. Furthermore, no assurance can be given with respect to the future levy of the Special Taxes in amounts greater than the amount necessary for the timely retirement of the District Bonds. Nevertheless, the School District covenants that, to the extent that it is legally permitted to avoid doing so, it will not initiate and conduct proceedings to reduce the maximum rates of Special Taxes which are authorized to be levied on taxable parcels of property within the Taxing Jurisdictions (the “Maximum Rates”). The School District further covenants that in the event an ordinance is adopted by initiative pursuant to Section 3 of Article XIII C of the California Constitution, which purports to reduce or otherwise alter the Maximum Rates, it will commence and pursue legal action seeking to preserve its ability to comply with such covenant.

With respect to the approval of the Special Taxes, on August 1, 2014, the California Court of Appeal, Fourth Appellate District, Division One, issued its opinion in *City of San Diego v. Melvin Shapiro, et al.* (D063997) (the “San Diego Decision”). The case involved a Convention Center Facilities District (the “CCFD”) established by the City of San Diego (the “City”). The CCFD is a financing district much like a community facilities district established under the provisions of the Act. The CCFD is comprised of all of the real property in the entire City. However, the special tax to be levied within the CCFD was to be levied only on hotel properties located within the CCFD.

The election authorizing the special tax was limited to owners of hotel properties and lessees of real property owned by a governmental entity on which a hotel is located. Thus, the election was not a registered voter election. Such approach to determining who would constitute the qualified electors of the CCFD was modeled after Section 53326(c) of the Act, which generally provides that, if a special tax will not be apportioned in any tax year on residential property, the legislative body may provide that the vote shall be by the landowners of the proposed district whose property would be subject to the special tax. The Court held that the CCFD special tax election was invalid under the California Constitution because Article XIII A, Section 4

thereof and Article XIII C, Section 2 thereof require that the electors in such an election be the registered voters within the district.

The facts of the San Diego Decision show that there were thousands of registered voters within the CCFD (*viz.*, all of the registered voters in the City). The elections held in each of the Taxing Jurisdictions had less than 12 registered voters within each Taxing Jurisdiction at the time of the elections to authorize the Special Tax. In the San Diego Decision, the Court expressly stated that it was not addressing the validity of landowner voting to impose special taxes pursuant to the Act in situations where there are fewer than 12 registered voters. Thus, by its terms, the Court’s holding does not apply to the Special Tax elections in the Taxing Jurisdictions. Moreover, Section 53341 of the Act provides that any “action or proceeding to attack, review, set aside, void or annul the levy of a special tax...shall be commenced within 30 days after the special tax is approved by the voters.” Similarly, Section 53359 of the Act provides that any action to determine the validity of bonds issued pursuant to the Act be brought within 30 days of the voters approving the issuance of such bonds. Voters within the Taxing Jurisdictions approved the Special Tax and the issuance of bonds years ago, and bonds issued on behalf of the Taxing Jurisdictions secured by the Special Taxes have been issued years ago. Based on Sections 53341 and 53359 of the Act and analysis of existing laws, regulations, rulings and court decisions, Bond Counsel is of the opinion that no successful challenge to the Special Tax being levied in accordance with the Rates and Methods may now be brought.

The interpretation and application of the Initiative will continue to be determined by the courts with respect to a number of the matters discussed above, and it is not possible at this time to predict with certainty the outcome of such determination or the timeliness of any remedy afforded by the courts. See “SPECIAL RISK FACTORS — Limitations on Remedies.”

Ballot Initiatives

Articles XIII C and XIII D, each of which placed certain limitations on the power of local agencies to tax, collect and expend revenues, were adopted pursuant to measures qualified for the ballot pursuant to California’s constitutional initiative process and the State Legislature has in the past enacted legislation which has altered the spending limitations or established minimum funding provisions for particular activities. From time to time, other initiative measures could be adopted by California voters or legislation enacted by the legislature. The adoption of any such initiative or legislation might place limitations on the ability of the State, the School District, or the Taxing Jurisdictions to increase revenues or to increase appropriations or on the ability of the landowners within the Taxing Jurisdictions to complete proposed future development.

LEGAL MATTERS

Tax Matters

[BOND COUNSEL TO UPDATE]

In the opinion of Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, compliance with certain covenants, interest on the 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 Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, provided however, that for the purpose of calculating federal corporate alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest is taken into account in determining certain income and earnings.

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 Bonds. The Authority has covenanted to comply with certain restrictions designed to insure that interest on the Bonds will not be

included in federal gross income. Failure to comply with these covenants may result in interest on the Bonds being included in federal gross income, possibly from the date of original issuance of the Bonds. The opinion of Bond Counsel assumes 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) after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Bond Owners from realizing the full current benefit of the tax status of such interest. As one example, the Obama Administration recently announced a legislative proposal which, for tax years beginning on or after January 1, 2013, generally would limit the exclusion from gross income of interest on obligations like the Bonds to some extent for taxpayers who are individuals and whose income is subject to higher marginal income tax rates. Other proposals have been made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Bonds. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, and regarding the impact of future legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Certain requirements and procedures contained or referred to in the Indenture, the Tax Certificate, and other relevant documents may be changed and certain actions (including, without limitation, defeasance of the Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel expresses no opinion as to the exclusion from gross income of interest on any Bond if any such change occurs or action is taken or omitted upon the advice or approval of counsel other than Best Best & Krieger LLP.

The Internal Revenue Service (the “IRS”) has initiated an expanded program for the auditing of tax-exempt bond issues, including both random and targeted audits. It is possible that the Bonds will be selected for audit by the IRS. It is also possible that the market value of the Bonds might be affected as a result of such an audit of the Bonds (or by an audit of other similar bonds).

Although Bond Counsel is of the opinion that interest on the 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 interest on, the Bonds may otherwise affect a Bond Owner’s federal or state tax liability. The nature and extent of these other tax consequences will depend upon the particular tax status of the Bondholder or the Bond Owner’s other items of income or deduction, and Bond Counsel expresses no opinion regarding any such other tax consequences.

See APPENDIX E — “FORM OF BOND COUNSEL OPINION” for a form of the opinion to be provided by Bond Counsel on the date of issuance of the Bonds.

Absence of Litigation

The Authority will certify at the time the Bonds are issued that no litigation is pending or threatened concerning the validity of the Bonds or the District Bonds and that no action, suit or proceeding is known by the Authority to be pending that would restrain or enjoin the delivery of the Bonds, or contest or affect the validity of the Bonds or the District Bonds or any proceedings of the Authority taken with respect to the Bonds or the District Bonds. The School District will also certify at the time the Bonds are issued that no litigation is pending or threatened concerning the validity the District Bonds and that no action, suit or proceeding is known by such District to be pending that would restrain or enjoin the delivery of the District Bonds, or contest or affect the validity of the District Bonds or any proceedings of such District taken with respect to the District Bonds.

Legal Opinion

Certain proceedings in connection with the issuance of the Bonds are subject to the approval as to their legality of Best Best & Krieger LLP, Riverside, California, Bond Counsel for the Authority in connection with the issuance of the Bonds. The unqualified opinion of Bond Counsel approving the validity of the Bonds will be attached to each Bond. Bond Counsel's employment is limited to a review of legal procedures required for the approval of the Bonds and to rendering an opinion as to the validity of the Bonds and the exemption of interest on the Bonds from income taxation. Bond Counsel has not been engaged by the Authority to prepare this Official Statement and expresses no opinion to the Owners of the Bonds as to the accuracy, completeness or fairness of this Official Statement or other offering materials relating to the Bonds and expressly disclaims any duty to do so.

MISCELLANEOUS

Ratings

Standard & Poor's Ratings Services, a division of The McGraw Hill Companies, Inc. ("Standard & Poor's") is expected to assign its municipal bond rating of "_____" to the Bonds based on the issuance of the Policy by the Insurer at the time of issuance of the Bonds. See "BOND INSURANCE" herein.

In addition, Standard & Poor's has assigned its underlying municipal bond rating of "_____" to the Bonds, independent of the delivery of the Policy. Such ratings reflect only the views of Standard & Poor's and an explanation of the significance of such ratings may be obtained from Standard & Poor's. There is no assurance that such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by such organization, if in its judgment circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Bonds.

Verification of Mathematical Accuracy

Causey, Demgen & Moore, P.C., upon delivery of the Bonds, will deliver a report on the mathematical accuracy of certain computations, contained in schedules provided to them which were prepared by Stifel, Nicolaus & Company, Incorporated, relating to the sufficiency of moneys and securities deposited into the Escrow Funds to pay, when due, the principal, whether at maturity or upon prior prepayment, interest and prepayment premium requirements of the Prior Bonds.

The report of Causey, Demgen & Moore, P.C. will include the statement that the scope of its engagement is limited to verifying the mathematical accuracy of the computations contained in such schedules provided to it, and that it has no obligation to update its report because of events occurring, or data or information coming to its attention, subsequent to the date of its report.

Underwriting

The Bonds are being purchased by Stifel, Nicolaus & Company, Incorporated (the "Underwriter") at a purchase price of \$_____ (representing the par amount of the Bonds, less underwriter's discount of \$_____ and plus/less [net] original issue premium/discount of \$_____).

The purchase contract relating to the Bonds between the Authority and the Underwriter provides that all Bonds will be purchased if any are purchased, and that the obligation to make such purchase is subject to certain terms and conditions set forth in said purchase contract, including, but not limited to, the approval of certain legal matters by counsel.

Financial Interests

The fees being paid to the Financial Advisor, the Underwriter, Underwriter's Counsel, the Special Tax Consultant, Disclosure Counsel and Bond Counsel are contingent upon the issuance and delivery of the Bonds. From time to time, Bond Counsel and Disclosure Counsel represent the Underwriter on matters unrelated to the Bonds.

Continuing Disclosure

Pursuant to a Continuing Disclosure Agreement between the Authority and U.S. Bank National Association (the "Continuing Disclosure Agreement"), the Authority has agreed to provide, or cause to be provided, to the Electronic Municipal Market Access System of the Municipal Securities Rulemaking Board, which can be found at www.emma.msrb.org certain annual financial information and operating data concerning the Taxing Jurisdictions. The Annual Report to be filed by the Authority will include audited financial statements of the Authority and the Taxing Jurisdictions, if any are prepared, and additional financial and operating data concerning the Taxing Jurisdictions as set forth in Section 4 of the Continuing Disclosure Agreement attached as Appendix F.

The Continuing Disclosure Agreement will inure solely to the benefit of any Dissemination Agent, the Underwriter and owners or beneficial owners from time to time of the Bonds. A default under the Continuing Disclosure Agreement is not a default under the Indenture and the sole remedy following a default is an action to compel specific performance by the Authority with the terms of the Continuing Disclosure Agreement.

The Continuing Disclosure Agreement provides that any required filing may be made through a central depository approved by the Securities and Exchange Commission.

Within the previous five years, the Authority has not failed to comply in all material respects with any previous undertakings with regard to Rule 15c2-12 to provide annual reports, semi-annual reports or notices of material events.

Within the previous five years, the School District, acting on behalf of its community facilities districts, has failed in certain respects to comply with its previous undertakings with regard to Rule 15c2-12. Specifically, the School District was untimely in filing twelve annual reports for fiscal year 2008-09, two annual reports for fiscal year 2009-10, one annual report for fiscal year 2010-11 and one annual report for fiscal year 2011-12. The School District, acting on behalf of its community facilities districts, has, to its knowledge, otherwise complied with its previous undertakings with regard to Rule 15c2-12 within the previous five years.

Additional Information

References are made in this Official Statement to certain documents and reports which are brief summaries thereof which do not purport to be complete or definitive, and reference is made to such documents and reports for full and complete statements of the contents thereof.

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

The execution and delivery of this Official Statement has been duly authorized by the Authority.

RIVERSIDE UNIFIED SCHOOL DISTRICT
FINANCING AUTHORITY

By: _____
Treasurer

APPENDIX A
INFORMATION REGARDING THE TAXING JURISDICTIONS

APPENDIX A
INFORMATION REGARDING THE TAXING JURISDICTIONS

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**INSERT AREA MAP FOR
CFD NO. 10
(MAP 1)**

**INSERT AREA MAP FOR
CFD NO. 10
(MAP 2)**

CFD NO. 10

Location and Description. CFD No. 10 was formed by the School District in September 2002 to finance various public improvements needed to develop property located within CFD No. 10. CFD No. 10 (totaling approximately 27 acres) consists of two non-continuous parcels: 1) Tract No. 30028 consisting of approximately 17.87 acres is located in the northwest portion of the City of Riverside and 2) Tract No. 29170 consisting of approximately 9.15 acres is located in the unincorporated community known as Highgrove. CFD No. 10 includes 94 taxable parcels. CFD No. 10 is completely built out with 94 completed single family detached homes which have been conveyed to individual homeowners.

Assigned Special Taxes. The following table shows the Assigned Special Taxes and the actual Special Taxes that were levied on parcels of property in CFD No. 10 for Fiscal Year 2014-15 and the percentages of the total Special Tax levy. The final maturity of the CFD No. 10 Bonds is September 1, 2034.

**TABLE 1
FISCAL YEAR 2014-15 ASSIGNED AND ACTUAL SPECIAL TAXES
CFD NO. 10**

<i>Tax Rate Zone/ Property Classification/ Tax Class⁽¹⁾</i>	<i>Number of Units/Acres</i>	<i>Fiscal Year 2014-15 Assigned Special Tax per Unit/Acre⁽²⁾</i>	<i>Total Fiscal Year 2014-15 Assigned Special Tax</i>	<i>Fiscal Year 2014-15 Actual Special Tax per Unit/Acre</i>	<i>Fiscal Year 2014-15 Levy</i>	<i>Percent of Maximum Special Tax</i>
Tax Rate Zone A						
Developed Property						
Tax Class 1 (SFD ≥ 2,090 SF)	24 Units	\$ 2,096.40	\$ 50,313.60	\$ 1,099.82	\$ 26,395.68	52.46%
Tax Class 2 (SFD 1,950 - 2,089 SF)	20 Units	2,065.97	41,319.40	1,083.84	21,676.80	52.46
Tax Class 3 (SFD 1,800 - 1,949 SF)	20 Units	1,975.92	39,518.40	1,036.60	20,732.00	52.46
Tax Class 4 (SFD ≤ 1,799 SF)	<u>13 Units</u>	<u>1,864.32</u>	<u>24,236.16</u>	<u>978.06</u>	<u>12,714.78</u>	<u>52.46</u>
Subtotal - Tax Rate Zone A	77 Units	NA	\$ 155,387.56	NA	\$ 81,519.26	52.46%
Tax Rate Zone B						
Developed Property						
Tax Class 1 (SFD ≥ 2,350 SF)	5 Units	\$ 1,162.98	\$ 5,814.90	\$ 625.74	\$ 3,128.70	53.80%
Tax Class 2 (SFD 1,900 - 2,349 SF)	6 Units	1,023.47	6,140.82	550.68	3,304.08	52.80
Tax Class 3 (SFD ≤ 1,899 SF)	<u>6 Units</u>	<u>976.55</u>	<u>5,859.30</u>	<u>525.44</u>	<u>3,152.64</u>	<u>53.80</u>
Subtotal - Tax Rate Zone B	<u>17 Units</u>	<u>NA</u>	<u>\$ 17,815.02</u>	<u>NA</u>	<u>\$ 9,585.42</u>	<u>53.80%</u>
Total	94 Units	NA	\$ 173,202.58	NA	\$ 91,104.68	52.60%

⁽¹⁾ Classification pursuant to the Rate and Method of Apportionment.

⁽²⁾ The Assigned Special Tax rates increase by 2.00% per year.

Source: David Taussig & Associates, Inc.

For the complete text of the CFD No. 10 Rate and Method, see APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

Estimated Direct and Overlapping Indebtedness. Within the boundaries of CFD No. 10 are numerous overlapping local agencies providing public services. The only outstanding debt secured by a special tax or assessment on the parcels within CFD No. 10 is the Community Facilities District No. 10 of Riverside Unified School District 2005 Special Tax Bonds, Series A (the “Prior CFD No. 10 Bonds”). However, Table 2 below does not include the Prior CFD No. 10 Bonds and instead includes the \$1,140,000* aggregate principal amount of the Community Facilities District No. 10 of Riverside Unified School District, 2015 Special Tax Refunding Bonds (the “CFD No. 10 Bonds”) being issued to refund the Prior CFD No. 10 Bonds. In addition, there is \$249,871 outstanding principal amount of general obligation bonds allocable to CFD No. 10 based on the current assessed value of CFD No. 10 relative to the current assessed value within the boundaries of the applicable taxing jurisdiction issuing the general obligation bonds.

* Preliminary, subject to change.

**TABLE 2
DIRECT AND OVERLAPPING DEBT SUMMARY
AS OF SEPTEMBER 2, 2014
CFD NO. 10**

<i>Tax Rate Zone/Overlapping District</i>	<i>Actual Fiscal Year 2014-15 Total Levy</i>	<i>Amount of Levy on Parcels in District</i>	<i>Percent on Levy on Parcels in District</i>	<i>Total Debt Outstanding⁽¹⁾</i>	<i>District Share of Total Debt Outstanding</i>
Tax Rate Zone A					
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$ 10,097 ⁽²⁾	0.0950%	\$138,110,000	\$ 131,185
City of Riverside G.O. Bonds	1,444,251	1,191 ⁽²⁾	0.0825	13,395,000	11,047
Metropolitan Water District G.O. Bonds	100,066,262	666 ⁽²⁾	0.0007	132,275,000	880
Riverside City Community College G.O. Bonds	<u>14,174,770</u>	<u>3,408⁽²⁾</u>	<u>0.0240</u>	<u>227,097,323⁽³⁾</u>	<u>54,595</u>
Subtotal - Tax Rate Zone A	\$ 126,315,751	\$ 15,362	0.2022%	\$510,877,323	\$ 197,707
Tax Rate Zone B					
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$ 2,822 ⁽²⁾	0.0265%	\$138,110,000	\$ 36,661
Metropolitan Water District G.O. Bonds	100,066,262	186 ⁽²⁾	0.0002	132,275,000	246
Riverside City Community College G.O. Bonds	<u>14,174,770</u>	<u>952⁽²⁾</u>	<u>0.0067</u>	<u>227,097,323⁽³⁾</u>	<u>15,257</u>
Subtotal - Tax Rate Zone B	\$ 124,871,500	\$ 3,960	0.0334%	\$497,482,323	\$ 52,164
Estimated Share of Overlapping Debt Allocable to the District					\$ 249,871
Series 2014 Refunding CFD No. 10 Bonds (Tax Rate Zone A)					1,011,522 ⁽⁴⁾
Series 2014 Refunding CFD No. 10 Bonds (Tax Rate Zone B)					<u>128,478⁽⁴⁾</u>
Plus the Series 2014 Refunding CFD No. 10 Bonds					<u>\$ 1,140,000*</u>
Estimated Share of Direct and Overlapping Debt Allocable to the District					\$ 1,389,871*

* Preliminary, subject to change.

(1) As of September 2, 2014. Principal for City of Riverside GO Bonds and Community College Bonds is made on August 1 of each year. Principal for MWD GO Bonds is made on March 1 of each year. All other districts pay principal on September 1 of each year.

(2) Estimated Fiscal Year 2014-15 levy. Calculated by multiplying the Fiscal Year 2014-15 *ad valorem* rate by the Fiscal Year 2014-15 net assessed value.

(3) Includes 2014 GO Refunding Bonds, Series A & B, issued May 29, 2014.

(4) Allocations to each Tax Zone are based on the allocable share of debt service set forth in the Official Statement relating to the Prior CFD No. 10 Bonds.

Source: David Taussig & Associates, Inc.

Value-to-Lien Ratios. The total assessed values of all of the taxable property in CFD No. 10, as determined by the County Assessor for Fiscal Year 2014-15, is \$24,721,747. The direct and overlapping land secured special tax, assessment and general obligation bonded indebtedness within CFD No. 10 as of September 2, 2014 was approximately \$1,389,871*. The assessed value-to-lien ratio of the property within CFD No. 10, based on the Fiscal Year 2014-15 assessed values, the aggregate principal amount of the CFD No. 10 Bonds and the estimated direct and overlapping land secured special tax, and assessment and general obligation bonded indebtedness within CFD No. 10 is approximately 17.79-to-1*. The following table summarizes the assessed value-to-lien ratios within CFD No. 10 by tax zone and owner.

* Preliminary, subject to change.

**TABLE 3
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS
CFD NO. 10**

<i>Tax Rate Zone/Owner⁽¹⁾</i>	<i>Tax Zone Allocation⁽²⁾</i>	<i>Number of Parcels</i>	<i>CFD No. 10 Outstanding Bond Amount^{(3)*}</i>	<i>RUSD GO Outstanding Bond Amount⁽⁴⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽⁴⁾</i>	<i>MWD GO Outstanding Bond Amount⁽⁴⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽⁴⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁵⁾</i>	<i>Value-to-Lien Ratio*</i>
Tax Rate Zone A										
Individual Owners	88.73%	77	\$ 1,011,522	\$ 131,185	\$ 11,047	\$ 880	\$ 54,595	\$ 1,209,229	\$ 19,334,625	15.99
Tax Rate Zone B										
Individual Owners	<u>11.27</u>	<u>17</u>	<u>128,478</u>	<u>36,661</u>	<u>0</u>	<u>246</u>	<u>15,257</u>	<u>180,642</u>	<u>5,387,122</u>	<u>29.82</u>
Total	100.00%	94	\$ 1,140,000	\$ 167,845	\$ 11,047	\$ 1,126	\$ 69,852	\$ 1,389,871	\$ 24,721,747	17.79

* Preliminary, subject to change.

(1) Based on ownership as of January 1, 2014 provided by the Riverside County Assessor.

(2) Based on share of debt service per Series 2005 Official Statement.

(3) Allocations to each Tax Zone are based on share of debt service per Series 2005 Official Statement.

(4) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(5) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Value-to-lien Ratios by Range. The following table summarizes the assessed value-to-lien ratios within CFD No. 10 by value-to-lien range.

**TABLE 4
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS BY RANGES
CFD NO. 10**

<i>Value-to-Lien Range</i>	<i>Number of Residential Units</i>	<i>CFD No. 10 Outstanding Bond Amount^{(1)*}</i>	<i>Percent of Total CFD No. 10 Outstanding Bond Amount*</i>	<i>RUSD GO Outstanding Bond Amount⁽²⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽²⁾</i>	<i>MWD GO Outstanding Bond Amount⁽²⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽²⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽³⁾</i>	<i>Percent of Total Fiscal Year 2014-15 Assessed Value*</i>	<i>Value-to-Lien Ratio*</i>
0.00-4.99	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.00%	NA
5.00-9.99	0	0	0.00	0	0	0	0	0	0	0.00	NA
10.00-14.99	20	265,145	23.26	29,669	2,498	199	12,347	309,858	4,352,065	17.60	14.05
15.00-19.99	57	746,377	65.47	101,516	8,548	681	42,248	899,371	14,982,560	60.60	16.66
20.00 or Greater	<u>17</u>	<u>128,478</u>	<u>11.27</u>	<u>36,661</u>	<u>0</u>	<u>246</u>	<u>15,257</u>	<u>180,641</u>	<u>5,387,122</u>	<u>21.79</u>	<u>29.82</u>
Total	94	\$ 1,140,000	100.00%	\$ 167,845	\$ 11,047	\$ 1,126	\$ 69,852	\$ 1,389,871	\$ 24,721,747	100.00%	17.79

* Preliminary, subject to change.

(1) Allocations to each Tax Zone are based on share of debt service per Series 2005 Official Statement. Allocation within each Tax Zone based on share of Fiscal Year 2014-15 special tax levy.

(2) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(3) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Sample Tax Bill. The following tables show the projected total effective tax rate for sample residential parcels in CFD No. 10, based on the average square footage of the homes located on such parcels and other characteristics described in the tables.

**TABLE 5A
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 09-159
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥2,900 SF)
CFD NO. 10, TAX ZONE A**

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
\$262,768			
Average Unit Size for Developed Property ⁽²⁾			
2,100 Square Feet			
Average Lot Size for Developed Property ⁽³⁾			
7,605 Square Feet			
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,627.68	
Metropolitan Water District G.O. Bonds	0.00350	9.20	
City of Riverside G.O. Bonds	0.00626	16.45	
Riverside Unified School District G.O. Bonds	0.05307	139.45	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>47.06</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,839.84	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.75	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		31.44	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 10, Tax Zone A ⁽¹¹⁾		<u>1,099.82</u>	<u>\$ 2,096.40</u>
Total Assessments and Parcel Charges		\$ 1,179.73	\$ 2,176.31
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 4,019.57</u>	<u>\$ 5,016.15</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.52970%	1.90897%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 24 Tax Class 1 units in CFD No. 10, Tax Zone A as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 24 Tax Class 1 units in CFD No. 10, Tax Zone A.

⁽³⁾ Based on the average lot size for 24 Tax Class 1 units in CFD No. 10, Tax Zone A.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit, and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$31.44 per benefit unit. The rate does not increase.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.

⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 10, Tax Zone A Fiscal Year 2014-15 actual Special Tax rate of \$1,099.82 per unit for Tax Class 1 property. Assigned Special Tax rate is \$2,096.40 per unit for Tax Class 1 property. The Assigned Special Tax rate escalates annually by 2%.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 5B
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 09-159
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 3 (1,800-1,949 SF)
CFD NO. 10, TAX ZONE A

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
\$244,444			
Average Unit Size for Developed Property ⁽²⁾	1,859 Square Feet		
Average Lot Size for Developed Property ⁽³⁾	7,623 Square Feet		
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,444.44	
Metropolitan Water District G.O. Bonds	0.00350	8.56	
City of Riverside G.O. Bonds	0.00626	15.30	
Riverside Unified School District G.O. Bonds	0.05307	129.73	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>43.78</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,641.81	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.75	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		31.44	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 10, Tax Zone A ⁽¹¹⁾		<u>1,036.60</u>	<u>\$ 1,975.92</u>
Total Assessments and Parcel Charges		\$ 1,116.51	\$ 2,055.83
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 3,758.32</u>	<u>\$ 4,697.64</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.53750%	1.92176%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 20 Tax Class 3 units in CFD No. 10, Tax Zone A as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 20 Tax Class 3 units in CFD No. 10, Tax Zone A.

⁽³⁾ Based on the average lot size for 20 Tax Class 3 units in CFD No. 10, Tax Zone A.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit, and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$31.44 per benefit unit. The rate does not increase.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.

⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 10, Tax Zone A Fiscal Year 2014-15 actual Special Tax rate of \$1,036.60 per unit for Tax Class 3 property. Assigned Special Tax rate is \$1,975.92 per unit for Tax Class 3 property. The Assigned Special Tax rate escalates annually by 2%.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 5C
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 88-001
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥2,350 SF)
CFD NO. 10, TAX ZONE B

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
Average Unit Size for Developed Property ⁽²⁾			
Average Lot Size for Developed Property ⁽³⁾			
<i>AD VALOREM</i> PROPERTY TAXES ⁽⁴⁾			
Basic Levy	1.00000%	\$ 3,439.68	
Metropolitan Water District G.O. Bonds	0.00350	12.04	
Riverside Unified School District G.O. Bonds	0.05307	182.54	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>61.60</u>	
Total General Property Taxes and Overrides	1.07448%	\$ 3,695.87	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.86	
County Service Area 152 - NPDES ⁽⁶⁾		40.00	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 126E ⁽⁸⁾		120.00	
Riverside Unified School District CFD No. 10, Tax Zone B ⁽⁹⁾		<u>625.74</u>	<u>\$ 1,162.98</u>
Total Assessments and Parcel Charges		\$ 798.82	\$ 1,336.06
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 4,494.69</u>	<u>\$ 5,031.93</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.30672%	1.46291%

- ⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 5 Tax Class 1 units in CFD No. 10, Tax Zone B as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- ⁽²⁾ Based on the average unit size for 5 Tax Class 1 units in CFD No. 10, Tax Zone B.
- ⁽³⁾ Based on the average lot size for 5 Tax Class 1 units in CFD No. 10, Tax Zone B.
- ⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.
- ⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- ⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$40.00 per benefit unit. The rate does not increase.
- ⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- ⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$120.00 per benefit unit. The rate does not increase.
- ⁽⁹⁾ Based on the Riverside Unified School District CFD No. 10, Tax Zone B Fiscal Year 2014-15 actual Special Tax rate of \$625.74 per unit for Tax Class 1 property. Assigned Special Tax rate is \$1,162.98 per unit for Tax Class 1 property. The Assigned Special Tax rate escalates annually by 2%.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 5D
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 88-001
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 3 (≤1,899 SF)
CFD NO. 10, TAX ZONE B

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾		\$297,715	
Average Unit Size for Developed Property ⁽²⁾		1,882 Square Feet	
Average Lot Size for Developed Property ⁽³⁾		20,691 Square Feet	
 <i>AD VALOREM</i> PROPERTY TAXES ⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,977.15	
Metropolitan Water District G.O. Bonds	0.00350	10.42	
Riverside Unified School District G.O. Bonds	0.05307	158.00	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>53.32</u>	
Total General Property Taxes and Overrides	1.07448%	\$ 3,198.88	
 ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.87	
County Service Area 152 - NPDES ⁽⁶⁾		40.00	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 126E ⁽⁸⁾		120.00	
Riverside Unified School District CFD No. 10, Tax Zone B ⁽⁹⁾		<u>525.44</u>	\$ 976.55
Total Assessments and Parcel Charges		\$ 698.53	\$ 1,149.64
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 3,897.41</u>	 <u>\$ 4,348.52</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 1.30911%	 1.46063%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 6 Tax Class 3 units in CFD No. 10, Tax Zone B as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 6 Tax Class 3 units in CFD No. 10, Tax Zone B.

⁽³⁾ Based on the average lot size for 6 Tax Class 3 units in CFD No. 10, Tax Zone B.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$40.00 per benefit unit. The rate does not increase.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$120.00 per benefit unit. The rate does not increase.

⁽⁹⁾ Based on the Riverside Unified School District CFD No. 10, Tax Zone B Fiscal Year 2014-15 actual Special Tax rate of \$525.44 per unit for Tax Class 3 property. Assigned Special Tax rate is \$976.55 per unit for Tax Class 3 property. The Assigned Special Tax rate escalates annually by 2%.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in CFD No. 10 for Fiscal Year 2009-10 through Fiscal Year 2013-14.

TABLE 6
SPECIAL TAX DELINQUENCY HISTORY
FISCAL YEARS 2009-10 THROUGH 2013-14
CFD NO. 10

<i>Fiscal Year</i>	<i>Total Amount Levied</i>	<i>Total Number of Parcels Levied</i>	<i>Total Delinquent Special Taxes at Fiscal Year End⁽¹⁾</i>	<i>Delinquency Rate at Fiscal Year End</i>	<i>Total Number of Parcels Delinquent as of 11/3/2014</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
2009-10	\$83,772	94	\$3,448	4.12%	0	\$ 0	0.00%
2010-11	79,583	94	3,050	3.83	0	0	0.00
2011-12	75,604	94	1,780	2.35	0	0	0.00
2012-13	75,604	94	2,209	2.92	0	0	0.00
2013-14	79,223	94	0	0.00	0	0	0.00

⁽¹⁾ Amount delinquent as of June 30 of the fiscal year in which special taxes were levied.
Source: David Taussig & Associates, Inc.

**INSERT AREA MAP FOR
CFD NO. 13
IMPROVEMENT AREA 1**

CFD NO. 13 AND IMPROVEMENT AREA 1

Location and Description. CFD No. 13 and Improvement Area 1 therein was formed by the School District in November 2003 to finance various public improvements needed to develop property located within CFD No. 13. CFD No. 13 Improvement Area 1 consists of 112.79 acres and is located in the northwestern portion of Riverside County adjacent to the city limits of the City of Riverside. CFD No. 13 Improvement Area 1 includes 208 taxable parcels. CFD No. 13 Improvement Area 1 is completely built out with 208 completed single family detached homes which have been conveyed to individual homeowners.

Assigned Special Taxes. The following table shows the Assigned Special Taxes and the actual Special Taxes that were levied on parcels of property in CFD No. 13 Improvement Area 1 for Fiscal Year 2014-15 and the percentages of the total Special Tax levy. The final maturity of the CFD No. 13-1 Bonds is September 1, 2034.

**TABLE 7
FISCAL YEAR 2014-15 ASSIGNED AND ACTUAL SPECIAL TAXES
CFD NO. 13, IMPROVEMENT AREA NO. 1**

<i>Property Classification/ Tax Class⁽¹⁾</i>	<i>Number of Units/Acres</i>	<i>Fiscal Year 2014-15 Assigned Special Tax per Unit/Acre</i>	<i>Total Fiscal Year 2014-15 Assigned Special Tax</i>	<i>Fiscal Year 2014-15 Actual Special Tax per Unit/Acre</i>	<i>Fiscal Year 2014-15 Levy</i>	<i>Percent of Maximum Special Tax</i>
Developed Property						
Tax Class 1 (SFD ≥ 3,801 SF)	91 Units	\$ 3,138.00	\$ 288,696.00	\$ 2,720.98	\$ 250,330.16	86.71%
Tax Class 2 (SFD 3,601 - 3,800 SF)	42 Units	3,041.00	127,722.00	2,636.86	110,748.12	86.71
Tax Class 3 (SFD 3,401 - 3,600 SF)	51 Units	2,952.00	150,552.00	2,559.70	130,544.70	86.71
Tax Class 4 (SFD 3,201 - 3,400 SF)	23 Units	2,855.00	65,665.00	2,475.58	56,938.34	86.71
Tax Class 5 (SFD 3,001 - 3,200 SF)	0 Units	2,751.00	0.00	0.00	0.00	NA
Tax Class 6 (SFD 2,801 - 3,000 SF)	0 Units	2,647.00	0.00	0.00	0.00	NA
Tax Class 7 (SFD 2,601 - 2,800 SF)	0 Units	2,543.00	0.00	0.00	0.00	NA
Tax Class 8 (SFD ≤ 2,600 SF)	0 Units	2,439.00	0.00	0.00	0.00	NA
Total	208 Units	NA	\$ 632,635.00	NA	\$ 548,561.32	86.71%

⁽¹⁾ Classification pursuant to the Rate and Method of Apportionment.
Source: David Taussig & Associates, Inc.

For the complete text of the CFD No. 13 Improvement Area 1 Rate and Method, see APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

Estimated Direct and Overlapping Indebtedness. Within the boundaries of CFD No. 13 Improvement Area 1 are numerous overlapping local agencies providing public services. The only outstanding debt secured by a special tax or assessment on the parcels within CFD No. 13 Improvement Area 1 is the Community Facilities District No. 13 of Riverside Unified School District 2005 Special Tax Bonds (Improvement Area No. 1) (the “Prior CFD No. 13-1 Bonds”). However, Table 8 below does not include the Prior CFD No. 13-1 Bonds and instead includes the \$5,775,000* aggregate principal amount of the Community Facilities District No. 13 of Riverside Unified School District, 2015 Special Tax Refunding Bonds (Improvement Area No. 1) (the “CFD No. 13 Bonds”) being issued to refund the Prior CFD No. 13-1 Bonds. In addition, there is \$1,045,317 outstanding principal amount of general obligation bonds allocable to CFD No. 13 Improvement Area 1 based on the current assessed value of CFD No. 13 Improvement Area 1 relative to the current assessed value within the boundaries of the applicable taxing jurisdiction issuing the general obligation bonds.

* Preliminary, subject to change.

**TABLE 8
DIRECT AND OVERLAPPING DEBT SUMMARY
AS OF SEPTEMBER 2, 2014
CFD NO. 13, IMPROVEMENT AREA NO. 1**

<i>Overlapping District</i>	<i>Actual Fiscal Year 2014-15 Total Levy</i>	<i>Amount of Levy on Parcels in District</i>	<i>Percent on Levy on Parcels in District</i>	<i>Total Debt Outstanding⁽¹⁾</i>	<i>District Share of Total Debt Outstanding</i>
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$55,516 ⁽²⁾	0.5222%	\$138,110,000	\$ 721,254
Metropolitan Water District G.O. Bonds	100,066,262	3,661 ⁽²⁾	0.0037	132,275,000	4,840
Riverside City Community College G.O. Bonds	14,174,770	18,735 ⁽²⁾	0.1322	227,097,323 ⁽³⁾	300,164
WRCOG HERO Program ⁽⁴⁾	NA	2,002	NA	19,059	<u>19,059⁽⁵⁾</u>
				Estimated Share of Overlapping Debt Allocable to the District	\$ 1,045,317
				Plus the Series 2014 Refunding CFD No. 13, IA No. 1 Bonds	<u>\$ 5,775,000*</u>
				Estimated Share of Direct and Overlapping Debt Allocable to the District	\$ 6,820,317*

* Preliminary, subject to change.

(1) As of September 2, 2014. Principal for City of Riverside GO Bonds and Community College Bonds is made on August 1 of each year. Principal for MWD GO Bonds is made on March 1 of each year. All other districts pay principal on September 1 of each year.

(2) Estimated Fiscal Year 2014-15 levy. Calculated by multiplying the Fiscal Year 2014-15 *ad valorem* rate by the Fiscal Year 2014-15 net assessed value.

(3) Includes 2014 GO Refunding Bonds, Series A & B, issued May 29, 2014.

(4) The WRCOG HERO Program is a Property Assessed Clean Energy (PACE) program under AB 811. Participating property owners enter into a contractual assessment with WRCOG to finance energy efficiency, renewable energy, and water conservation improvements on their property. Bonds are issued, and the assessments are paid back over time through an annual assessment on the property tax bill.

(5) Includes outstanding assessment lien for one parcel in CFD 13 IA No. 1.

Source: David Taussig & Associates, Inc.

Value-to-Lien Ratios. The total assessed values of all of the taxable property in CFD No. 13 Improvement Area 1, as determined by the County Assessor for Fiscal Year 2014-15, is \$105,398,010. The direct and overlapping land secured special tax, assessment and general obligation bonded indebtedness within CFD No. 13 Improvement Area 1 as of September 2, 2014 was approximately \$6,820,317*. The assessed value-to-lien ratio of the property within CFD No. 13 Improvement Area 1, based on the Fiscal Year 2014-15 assessed values, the aggregate principal amount of the CFD No. 13-1 Bonds and the estimated direct and overlapping land secured special tax, and assessment and general obligation bonded indebtedness within CFD No. 13 Improvement Area 1 is approximately 15.45-to-1*. The following table summarizes the assessed value-to-lien ratios within CFD No. 13 Improvement Area 1 by owner.

* Preliminary, subject to change.

TABLE 9
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS
CFD NO. 13, IMPROVEMENT AREA NO. 1

<i>Owner⁽¹⁾</i>	<i>Fiscal Year 2014-15 CFD No. 13, IA No. 1 Levy</i>		<i>Number of Parcels</i>	<i>CFD No. 13, IA No. 1 Outstanding Bond Amount^{(2)*}</i>				<i>WRCOG HERO Program Outstanding Bond Amount⁽⁴⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁵⁾</i>	<i>Value-to-Lien Ratio*</i>
	<i>Percent of Total Levy</i>			<i>RUSD GO Outstanding Bond Amount⁽³⁾</i>	<i>MWD GO Outstanding Bond Amount⁽³⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽³⁾</i>					
Individual Owners	\$ 548,561	100.00%	208	\$ 5,775,000	\$ 721,254	\$ 4,840	\$ 300,164	\$ 19,059	\$ 6,820,317	\$ 105,398,010	15.45

* Preliminary, subject to change.

(1) Based on ownership as of January 1, 2014 provided by the Riverside County Assessor.

(2) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(3) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(4) The WRCOG HERO Program is a Property Assessed Clean Energy (PACE) program under AB 811. Participating property owners enter into a contractual assessment with WRCOG to finance energy efficiency, renewable energy, and water conservation improvements on their property. Bonds are issued, and the assessments are paid back over time through an annual assessment on the property tax bill.

(5) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Value-to-lien Ratios by Range. The following table summarizes the assessed value-to-lien ratios within CFD No. 13 Improvement Area 1 by value-to-lien range.

**TABLE 10
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS BY RANGES
CFD NO. 13, IMPROVEMENT AREA NO. 1**

Value-to-Lien Range	Number of Residential Units	Fiscal Year 2014-15 CFD No. 13, IA No. 1 Levy	CFD No. 13, IA No. 1 Outstanding Bond Amount^{(1)*}	Percent of Total CFD No. 13, IA No. 1 Outstanding Bond Amount*	RUSD GO Outstanding Bond Amount⁽²⁾	MWD GO Outstanding Bond Amount⁽²⁾	RCCD GO Outstanding Bond Amount⁽²⁾	WRCOG HERO Program Outstanding Bond Amount⁽³⁾	Total Direct and Overlapping Debt*	Fiscal Year 2014-15 Assessed Value⁽⁴⁾	Percent of Total Fiscal Year 2014-15 Assessed Value*	Value-to-Lien Ratio*
0.00-4.99	0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.00%	NA
5.00-9.99	1	2,637	27,760	0.48	3,394	23	1,412	19,059	51,647	492,224	0.47	9.53
10.00-14.99	73	194,761	2,050,358	35.50	220,726	1,481	91,860	0	2,364,425	32,279,444	30.63	13.65
15.00-19.99	130	340,279	3,582,301	62.03	477,512	3,204	198,726	0	4,261,743	69,766,342	66.19	16.37
20.00 or Greater	4	10,884	114,581	1.98	19,623	132	8,166	0	142,501	2,860,000	2.71	20.07
Total	208	\$ 548,561	\$ 5,775,000	100.00%	\$ 721,254	\$ 4,840	\$ 300,164	\$ 19,059	\$ 6,820,317	\$ 105,398,010	100.00%	15.45

* Preliminary, subject to change.

(1) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(2) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(3) The WRCOG HERO Program is a Property Assessed Clean Energy (PACE) program under AB 811. Participating property owners enter into a contractual assessment with WRCOG to finance energy efficiency, renewable energy, and water conservation improvements on their property. Bonds are issued, and the assessments are paid back over time through an annual assessment on the property tax bill.

(4) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Sample Tax Bill. The following tables show the projected total effective tax rate for sample residential parcels in CFD No. 13 Improvement Area 1, based on the average square footage of the homes located on such parcels and other characteristics described in the tables.

TABLE 11A
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 88-092, 88-095
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥3,801 SF)
CFD NO. 13, IMPROVEMENT AREA NO. 1

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
\$533,913			
Average Unit Size for Developed Property ⁽²⁾			
4,316 Square Feet			
Average Lot Size for Developed Property ⁽³⁾			
18,309 Square Feet			
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 5,339.13	
Metropolitan Water District G.O. Bonds	0.00350	18.69	
Riverside Unified School District G.O. Bonds	0.05307	283.35	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>95.62</u>	
Total General Property Taxes and Overrides	1.07448%	\$ 5,736.79	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.85	
County Service Area 132 – Street Lights ⁽⁶⁾		62.34	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 NPDES ⁽⁸⁾		40.00	
Lighting & Landscaping Maintenance District No. 89-1-C Zone 45 ⁽⁹⁾		252.04	
WMWD Fixed Sewer Charge ⁽¹⁰⁾		487.72	
Riverside Unified School District CFD No. 13, IA No. 1 ⁽¹¹⁾		<u>2,720.98</u>	<u>\$ 3,138.00</u>
Total Assessments and Parcel Charges		\$ 3,576.15	\$ 3,993.17
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 9,312.93</u>	<u>\$ 9,729.95</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.74428%	1.82239%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 92 Tax Class 1 units in CFD No. 13, IA No. 1, as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 92 Tax Class 1 units in CFD No. 13, IA No. 1.

⁽³⁾ Based on the average lot size for 92 Tax Class 1 units in CFD No. 13, IA No. 1.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$62.34 per parcel. The rate escalates annually by the greater of the change in Consumer Price Index for the Los Angeles-Riverside-Orange County Area or 2.00%.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$40.00 per parcel. The rate does not increase.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$252.04 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles-Riverside-Orange County area, not to exceed 2.00%.

⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$487.72 per parcel. Amount fluctuates by the change in operations and maintenance costs for the service area. There is no maximum percentage increase limit for the sewer rate.

⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 13, IA No. 1 Fiscal Year 2014-15 actual Special Tax rate of \$2,720.98 per unit for Tax Class 1 property. Assigned Special Tax rate is \$3,138.00 per unit for Tax Class 1 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; City of Menifee; Western Municipal Water District.

TABLE 11B
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 88-092, 88-095
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 2 (3,601-3,800 SF)
CFD NO. 13, IMPROVEMENT AREA NO. 1

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾		\$492,224	
NET ASSESSED VALUE ⁽¹⁾		\$492,224	
Unit Size ⁽²⁾		3,740 Square Feet	
Lot Size ⁽³⁾		19,166 Square Feet	
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 4,922.24	
Metropolitan Water District G.O. Bonds	0.00350	17.23	
Riverside Unified School District G.O. Bonds	0.05307	261.22	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>88.16</u>	
Total General Property Taxes and Overrides	1.07448%	\$ 5,288.85	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.84	
County Service Area 132 – Street Lights ⁽⁶⁾		62.34	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 NPDES ⁽⁸⁾		40.00	
Lighting & Landscaping Maintenance District No. 89-1-C Zone 45 ⁽⁹⁾		252.04	
WMWD Fixed Sewer Charge ⁽¹⁰⁾		487.72	
WRCOG HERO Funded Fiscal Year 2013-14 ⁽¹¹⁾		2,002.44	
Riverside Unified School District CFD No. 13, IA No. 1 ⁽¹²⁾		<u>2,636.86</u>	<u>\$ 3,041.00</u>
Total Assessments and Parcel Charges		\$ 5,494.46	\$ 5,898.60
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 10,783.31</u>	<u>\$ 11,187.45</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		2.19073%	2.27284%

- (1) Based on assessed values for unit with WRCOG HERO PACE assessment in CFD No. 13, IA No. 1 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- (2) Based on actual unit size.
- (3) Based on actual lot size.
- (4) Actual Fiscal Year 2014-15 *ad valorem* rates.
- (5) Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- (6) Based on the Fiscal Year 2014-15 rate of \$62.34 per parcel. The rate escalates annually by the greater of the change in Consumer Price Index for the Los Angeles-Riverside-Orange County Area or 2.00%.
- (7) Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- (8) Based on the Fiscal Year 2014-15 rate of \$40.00 per parcel. The rate does not increase.
- (9) Based on the Fiscal Year 2014-15 rate of \$252.04 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles-Riverside-Orange County area, not to exceed 2.00%.
- (10) Based on the Fiscal Year 2014-15 rate of \$487.72 per parcel. Amount fluctuates by the change in operations and maintenance costs for the service area. There is no maximum percentage increase limit for the sewer rate.
- (11) Based on administrative expenses, principal and interest due on outstanding lien on March 1, 2015 and September 1, 2015.
- (12) Based on the Riverside Unified School District CFD No. 13, IA No. 1 Fiscal Year 2014-15 actual Special Tax rate of \$2,636.86 per unit for Tax Class 2 property. Assigned Special Tax rate is \$3,041.00 per unit for Tax Class 2 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; City of Menifee; Western Municipal Water District.

TABLE 11C
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 88-092, 88-095
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 4 (3,201-3,400 SF)
CFD NO. 13, IMPROVEMENT AREA NO. 1

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾		\$471,830	
Average Unit Size for Developed Property ⁽²⁾		3,287 Square Feet	
Average Lot Size for Developed Property ⁽³⁾		17,765 Square Feet	
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 4,718.30	
Metropolitan Water District G.O. Bonds	0.00350	16.51	
Riverside Unified School District G.O. Bonds	0.05307	250.40	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>84.50</u>	
Total General Property Taxes and Overrides	1.07448%	\$ 5,069.71	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.84	
County Service Area 132 – Street Lights ⁽⁶⁾		62.34	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 NPDES ⁽⁸⁾		40.00	
Lighting & Landscaping Maintenance District No. 89-1-C Zone 45 ⁽⁹⁾		252.04	
WMWD Fixed Sewer Charge ⁽¹⁰⁾		487.72	
Riverside Unified School District CFD No. 13, IA No. 1 ⁽¹¹⁾		<u>2,475.58</u>	<u>\$ 2,855.00</u>
Total Assessments and Parcel Charges		\$ 3,330.74	\$ 3,710.16
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 8,400.46</u>	 <u>\$ 8,779.88</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 1.78040%	 1.86081%

(1) Based on average net assessed value plus \$7,000 homeowner's exemption for 23 Tax Class 4 units in CFD No. 13, IA No. 1, as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

(2) Based on the average unit size for 23 Tax Class 4 units in CFD No. 13, IA No. 1.

(3) Based on the average lot size for 23 Tax Class 4 units in CFD No. 13, IA No. 1.

(4) Actual Fiscal Year 2014-15 *ad valorem* rates.

(5) Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

(6) Based on the Fiscal Year 2014-15 rate of \$62.34 per parcel. The rate escalates annually by the greater of the change in Consumer Price Index for the Los Angeles-Riverside-Orange County Area or 2.00%.

(7) Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

(8) Based on the Fiscal Year 2014-15 rate of \$40.00 per parcel. The rate does not increase.

(9) Based on the Fiscal Year 2014-15 rate of \$252.04 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles-Riverside-Orange County area, not to exceed 2.00%.

(10) Based on the Fiscal Year 2014-15 rate of \$487.72 per parcel. Amount fluctuates by the change in operations and maintenance costs for the service area. There is no maximum percentage increase limit for the sewer rate.

(11) Based on the Riverside Unified School District CFD No. 13, IA No. 1 Fiscal Year 2014-15 actual Special Tax rate of \$2,475.58 per unit for Tax Class 4 property. Assigned Special Tax rate is \$2,855.00 per unit for Tax Class 4 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; City of Menifee; Western Municipal Water District.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in CFD No. 13 Improvement Area 1 for Fiscal Year 2009-10 through Fiscal Year 2013-14.

**TABLE 12
SPECIAL TAX DELINQUENCY HISTORY
CFD NO. 13, IMPROVEMENT AREA NO. 1**

<i>Fiscal Year</i>	<i>Total Amount Levied</i>	<i>Total Number of Parcels Levied</i>	<i>Total Delinquent Special Taxes at Fiscal Year End⁽¹⁾</i>	<i>Delinquency Rate at Fiscal Year End</i>	<i>Total Number of Parcels Delinquent as of 11/3/2014</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
2009-10	\$607,822	200	\$52,445	8.63%	0	\$ 0	0.00%
2010-11	577,432	208	19,359	3.35	1	1,388 ⁽²⁾	0.24
2011-12	548,561	208	19,668	3.59	1	2,637 ⁽²⁾	0.48
2012-13	548,561	208	23,791	4.34	1	2,637 ⁽²⁾	0.48
2013-14	548,561	208	12,118	2.21	1	1,360	0.25

⁽¹⁾ Amount delinquent as of June 30 of the fiscal year in which special taxes were levied.

⁽²⁾ Includes delinquent amount for one parcel in CFD No. 13, IA No. 1 currently under foreclosure.

Source: David Taussig & Associates, Inc.

**INSERT AREA MAP FOR
CFD NO. 14**

CFD NO. 14

Location and Description. CFD No. 14 was formed by the School District in January 2004 to finance various public improvements needed to develop property located within CFD No. 14. CFD No. 14 (totaling approximately 37 acres) consists of two non-continuous parcels located in the northern portion of the City of Riverside: 1) Tract No. 30922 consisting of 32.88 acres and 2) Tract No. 31512 consisting of 5.24 acres. CFD No. 14 includes 307 taxable parcels. CFD No. 14 is completely built out with 307 completed single family detached homes which have been conveyed to individual homeowners.

Assigned Special Taxes. The following table shows the Assigned Special Taxes and the actual Special Taxes that were levied on parcels of property in CFD No. 14 for Fiscal Year 2014-15 and the percentages of the total Special Tax levy. The final maturity of the CFD No. 14 Bonds is September 1, 2035.

**TABLE 13
FISCAL YEAR 2014-15 ASSIGNED AND ACTUAL SPECIAL TAXES
CFD NO. 14**

<i>Tax Rate Zone/ Property Classification/ Tax Class⁽¹⁾</i>	<i>Number of Units/Acres</i>	<i>Fiscal Year 2014-15 Assigned Special Tax per Unit/Acre</i>	<i>Total Fiscal Year 2014-15 Assigned Special Tax</i>	<i>Fiscal Year 2014-15 Actual Special Tax per Unit/Acre</i>	<i>Fiscal Year 2014-15 Levy</i>	<i>Percent of Maximum Special Tax</i>
Tax Rate Zone 1						
Developed Property						
Tax Class 1 (SFD ≥ 1,651 SF)	85 Units	\$ 1,632.00	\$ 138,720.00	\$ 1,305.14	\$ 110,936.90	79.97%
Tax Class 2 (SFD 1,451 - 1,650 SF)	15 Units	1,546.00	23,190.00	1,236.36	18,545.40	79.97
Tax Class 3 (SFD ≤ 1,450 SF)	<u>53 Units</u>	<u>1,494.00</u>	<u>79,182.00</u>	<u>1,194.78</u>	<u>63,323.34</u>	<u>79.97</u>
Subtotal - Tax Rate Zone 1	153 Units	NA	\$ 241,092.00	NA	\$ 192,805.64	79.97%
Tax Rate Zone 2						
Developed Property						
Tax Class 1 (SFD ≥ 2,601 SF)	46 Units	\$ 2,104.00	\$ 96,784.00	\$ 1,682.60	\$ 77,399.60	79.97%
Tax Class 2 (SFD 2,251 - 2,600 SF)	41 Units	2,070.00	84,870.00	1,655.42	67,872.22	79.97
Tax Class 3 (SFD ≤ 2,250 SF)	<u>67 Units</u>	<u>1,769.00</u>	<u>118,523.00</u>	<u>1,414.70</u>	<u>94,784.90</u>	<u>79.97</u>
Subtotal - Tax Rate Zone 2	<u>154 Units</u>	<u>NA</u>	<u>\$ 300,177.00</u>	<u>NA</u>	<u>\$ 240,056.72</u>	<u>79.97%</u>
Total	307 Units	NA	\$ 541,269.00	NA	\$ 432,862.36	79.97%

⁽¹⁾ Classification pursuant to the Rate and Method of Apportionment.
Source: David Taussig & Associates, Inc.

For the complete text of the CFD No. 14 Rate and Method, see APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

Estimated Direct and Overlapping Indebtedness. Within the boundaries of CFD No. 14 are numerous overlapping local agencies providing public services. The only outstanding debt secured by a special tax or assessment on the parcels within CFD No. 14 is the Community Facilities District No. 14 of Riverside Unified School District 2005 Special Tax Bonds, Series A (the “Prior CFD No. 14 Bonds”). However, Table 14 below does not include the Prior CFD No. 14 Bonds and instead includes the \$4,720,000* aggregate principal amount of the Community Facilities District No. 14 of Riverside Unified School District, 2015 Special Tax Refunding Bonds (the “CFD No. 14 Bonds”) being issued to refund the Prior CFD No. 14 Bonds. In addition, there is \$717,190 outstanding principal amount of general obligation bonds allocable to CFD No. 14 based on the current assessed value of CFD No. 14 relative to the current assessed value within the boundaries of the applicable taxing jurisdiction issuing the general obligation bonds.

* Preliminary, subject to change.

**TABLE 14
DIRECT AND OVERLAPPING DEBT SUMMARY
AS OF SEPTEMBER 2, 2014
CFD NO. 14**

<i>Overlapping District</i>	<i>Actual Fiscal Year 2014-15 Total Levy</i>	<i>Amount of Levy on Parcels in District</i>	<i>Percent on Levy on Parcels in District</i>	<i>Total Debt Outstanding⁽¹⁾</i>	<i>District Share of Total Debt Outstanding</i>
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$36,629 ⁽²⁾	0.3446%	\$138,110,000	\$ 475,878
City of Riverside G.O. Bonds	1,444,251	4,321 ⁽²⁾	0.2992	13,395,000	40,073
Metropolitan Water District G.O. Bonds	100,066,262	2,416 ⁽²⁾	0.0024	132,275,000	3,193
Riverside City Community College G.O. Bonds	14,174,770	12,361 ⁽²⁾	0.0872	227,097,323 ⁽³⁾	<u>198,046</u>
				Estimated Share of Overlapping Debt Allocable to the District	\$ 717,190
				Plus the Series 2014 Refunding CFD No. 14 Bonds	<u>\$ 4,720,000*</u>
				Estimated Share of Direct and Overlapping Debt Allocable to the District	\$ 5,437,190*

* Preliminary, subject to change.

⁽¹⁾ As of September 2, 2014. Principal for City of Riverside GO Bonds and Community College Bonds is made on August 1 of each year. Principal for MWD GO Bonds is made on March 1 of each year. All other districts pay principal on September 1 of each year.

⁽²⁾ Estimated Fiscal Year 2014-15 levy. Calculated by multiplying the Fiscal Year 2014-15 *ad valorem* rate by the Fiscal Year 2014-15 net assessed value.

⁽³⁾ Includes 2014 GO Refunding Bonds, Series A & B, issued May 29, 2014.

Source: David Taussig & Associates, Inc.

Value-to-Lien Ratios. The total assessed values of all of the taxable property in CFD No. 14, as determined by the County Assessor for Fiscal Year 2014-15, is \$69,717,087. The direct and overlapping land secured special tax, assessment and general obligation bonded indebtedness within CFD No. 14 as of September 2, 2014 was approximately \$5,437,190*. The assessed value-to-lien ratio of the property within CFD No. 14, based on the Fiscal Year 2014-15 assessed values, the aggregate principal amount of the CFD No. 14 Bonds and the estimated direct and overlapping land secured special tax, and assessment and general obligation bonded indebtedness within CFD No. 14 is approximately 12.82-to-1*. The following table summarizes the assessed value-to-lien ratios within CFD No. 14 by owner.

* Preliminary, subject to change.

**TABLE 15
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS
CFD NO. 14**

<i>Owner⁽¹⁾</i>	<i>Fiscal Year 2014-15 CFD No. 14 Levy</i>	<i>Percent of Total Levy</i>	<i>Number of Parcels</i>	<i>CFD No. 14 Outstanding Bond Amount^{(2)*}</i>	<i>RUSD GO Outstanding Bond Amount⁽³⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽³⁾</i>	<i>MWD GO Outstanding Bond Amount⁽³⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽³⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁴⁾</i>	<i>Value- to-Lien Ratio*</i>
Individual Owners	\$ 432,862	100.00%	307	\$4,720,000	\$ 475,878	\$ 40,073	\$ 3,193	\$ 198,046	\$ 5,437,190	\$ 69,717,087	12.82

* Preliminary, subject to change.

(1) Based on ownership as of January 1, 2014 provided by the Riverside County Assessor.

(2) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(3) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(4) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Value-to-lien Ratios by Range. The following table summarizes the assessed value-to-lien ratios within CFD No. 14 by value-to-lien range.

**TABLE 16
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS BY RANGES
CFD NO. 14**

Value-to-Lien Range	Number of Residential Units	Fiscal Year 2014-15 CFD No. 14 Levy	CFD No. 14 Outstanding Bond Amount^{(1)*}	Percent of Total CFD No. 14 Outstanding Bond Amount*	RUSD GO Outstanding Bond Amount⁽²⁾	City of Riverside GO Outstanding Bond Amount⁽²⁾	MWD GO Outstanding Bond Amount⁽²⁾	RCCD GO Outstanding Bond Amount⁽²⁾	Total Direct and Overlapping Debt*	Fiscal Year 2014-15 Assessed Value⁽³⁾	Percent of Total Fiscal Year 2014-15 Assessed Value*	Value-to-Lien Ratio*
0.00-4.99	0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.00%	NA
5.00-9.99	7	9,395	102,445	2.17	7,400	623	50	3,080	113,598	1,087,299	1.56	9.57
10.00-14.99	254	364,343	3,972,857	84.17	389,188	32,773	2,612	161,968	4,559,398	57,003,785	81.76	12.50
15.00-19.99	46	59,124	644,697	13.66	79,290	6,677	532	32,998	764,194	11,626,003	16.68	15.21
20.00 or Greater	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00</u>	<u>NA</u>
Total	307	\$ 432,862	\$ 4,720,000	100.00%	\$ 475,878	\$ 40,073	\$ 3,193	\$ 198,046	\$ 5,437,190	\$ 69,717,087	100.00%	12.82

* Preliminary, subject to change.

(1) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(2) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(3) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Sample Tax Bill. The following tables show the projected total effective tax rate for sample residential parcels in CFD No. 14, based on the average square footage of the homes located on such parcels and other characteristics described in the tables.

TABLE 17A
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 09-159
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥1,651 SF)
CFD NO. 14, TAX ZONE 1

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
Average Unit Size for Developed Property ⁽²⁾			
Average Lot Size for Developed Property ⁽³⁾			
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,171.07	
Metropolitan Water District G.O. Bonds	0.00350	7.60	
City of Riverside G.O. Bonds	0.00626	13.59	
Riverside Unified School District G.O. Bonds	0.05307	115.22	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>38.88</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,346.37	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 1.23	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		27.60	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 14, Tax Zone 1 ⁽¹¹⁾		<u>1,305.14</u>	<u>\$ 1,632.00</u>
Total Assessments and Parcel Charges		\$ 1,378.69	\$ 1,705.55
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 3,725.05</u>	<u>\$ 4,051.91</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.71577%	1.86632%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 85 Tax Class 1 units in CFD No. 14, Tax Zone 1 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 85 Tax Class 1 units in CFD No. 14, Tax Zone 1.

⁽³⁾ Based on the average lot size for 85 Tax Class 1 units in CFD No. 14, Tax Zone 1.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be 8.40 per benefit unit and the Fiscal Year 2016-17 rate will be 10.00 per benefit unit.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$27.60 per benefit unit for condominiums, apartments, and mobile homes. The rate does not increase.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.

⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 14, Tax Zone 1 Fiscal Year 2014-15 actual Special Tax rate of \$1,305.14 per unit for Tax Class 1 property. Assigned Special Tax rate is \$1,632.00 per unit for Tax Class 1 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 17B
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 09-159
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 2 (1,451-1,650 SF)
CFD NO. 14, TAX ZONE 1

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
\$195,800			
Average Unit Size for Developed Property ⁽²⁾			
1,626 Square Feet			
Average Lot Size for Developed Property ⁽³⁾			
2,439 Square Feet			
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 1,958.00	
Metropolitan Water District G.O. Bonds	0.00350	6.85	
City of Riverside G.O. Bonds	0.00626	12.26	
Riverside Unified School District G.O. Bonds	0.05307	103.91	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>35.07</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,116.09	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 1.26	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		27.60	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 14, Tax Zone 1 ⁽¹¹⁾		<u>1,236.36</u>	<u>\$ 1,546.00</u>
Total Assessments and Parcel Charges		\$ 1,309.94	\$ 1,619.58
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 3,426.03</u>	 <u>\$ 3,735.67</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 1.74976%	 1.90790%

- ⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 15 Tax Class 2 units in CFD No. 14, Tax Zone 1 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- ⁽²⁾ Based on the average unit size for 15 Tax Class 2 units in CFD No. 14, Tax Zone 1.
- ⁽³⁾ Based on the average lot size for 15 Tax Class 2 units in CFD No. 14, Tax Zone 1.
- ⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.
- ⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- ⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be 8.40 per benefit unit and the Fiscal Year 2016-17 rate will be 10.00 per benefit unit.
- ⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- ⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$27.60 per benefit unit for condominiums, apartments, and mobile homes. The rate does not increase.
- ⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.
- ⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.
- ⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 14, Tax Zone 1 Fiscal Year 2014-15 actual Special Tax rate of \$1,236.36 per unit for Tax Class 2 property. Assigned Special Tax rate is \$1,546.00 per unit for Tax Class 2 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 17C
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 09-049, 09-159
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥ 2,601 SF)
CFD NO. 14, TAX ZONE 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
\$265,239			
Average Unit Size for Developed Property ⁽²⁾			
2,717 Square Feet			
Average Lot Size for Developed Property ⁽³⁾			
3,580 Square Feet			
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,652.39	
Metropolitan Water District G.O. Bonds	0.00350	9.28	
City of Riverside G.O. Bonds	0.00626	16.60	
Riverside Unified School District G.O. Bonds	0.05307	140.76	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>47.50</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,866.54	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 1.85	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		27.60	
City of Riverside Library Services ⁽⁹⁾		19.00	
Jurupa Parks & Recreation Maintenance ⁽¹⁰⁾		15.00	
Riverside Unified School District CFD No. 14, Tax Zone 2 ⁽¹¹⁾		<u>1,682.60</u>	<u>\$ 2,104.00</u>
Total Assessments and Parcel Charges		\$ 1,762.07	\$ 2,183.47
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 4,628.61</u>	 <u>\$ 5,050.01</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 1.74507%	 1.90395%

- ⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 46 Tax Class 1 units in CFD No. 14, Tax Zone 1 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- ⁽²⁾ Based on the average unit size for 46 Tax Class 1 units in CFD No. 14, Tax Zone 2.
- ⁽³⁾ Based on the average lot size for 46 Tax Class 1 units in CFD No. 14, Tax Zone 2.
- ⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.
- ⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- ⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be 8.40 per benefit unit and the Fiscal Year 2016-17 rate will be 10.00 per benefit unit.
- ⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- ⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$27.60 per benefit unit for condominiums, apartments, and mobile homes. The rate does not increase.
- ⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.
- ⁽¹⁰⁾ Parcels in CFD No. 14, Tax Zone 2 receive either the NW Mosquito & Vector charge of \$9.70 per parcel (TRA 09-159) or the Jurupa Parks & Recreation Maintenance Charge of \$15.00 per parcel (TRA 09-049). For purposes of this analysis, the higher of the two charges is shown. Amount for the NW Mosquito & Vector charge escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%. The rate for the Jurupa Parks & Recreation Maintenance Charge does not increase.
- ⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 14, Tax Zone 2 Fiscal Year 2014-15 actual Special Tax rate of \$1,682.60 per unit for Tax Class 1 property. Assigned Special Tax rate is \$2,104.00 per unit for Tax Class 1 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 17D
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 09-049, 09-159
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 3 (≥ 2,250 SF)
CFD NO. 14, TAX ZONE 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
\$238,450			
Average Unit Size for Developed Property ⁽²⁾	1,903 Square Feet		
Average Lot Size for Developed Property ⁽³⁾	3,693 Square Feet		
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,384.50	
Metropolitan Water District G.O. Bonds	0.00350	8.35	
City of Riverside G.O. Bonds	0.00626	14.93	
Riverside Unified School District G.O. Bonds	0.05307	126.55	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>42.71</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,577.02	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 1.91	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		27.60	
City of Riverside Library Services ⁽⁹⁾		19.00	
Jurupa Parks & Recreation Maintenance ⁽¹⁰⁾		15.00	
Riverside Unified School District CFD No. 14, Tax Zone 2 ⁽¹¹⁾		<u>1,414.70</u>	<u>\$ 1,769.00</u>
Total Assessments and Parcel Charges		\$ 1,494.23	\$ 1,848.53
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 4,071.25</u>	 <u>\$ 4,425.55</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 1.70738%	 1.85597%

- ⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 67 Tax Class 3 units in CFD No. 14, Tax Zone 1 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- ⁽²⁾ Based on the average unit size for 67 Tax Class 3 units in CFD No. 14, Tax Zone 2.
- ⁽³⁾ Based on the average lot size for 67 Tax Class 3 units in CFD No. 14, Tax Zone 2.
- ⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.
- ⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- ⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be 8.40 per benefit unit and the Fiscal Year 2016-17 rate will be 10.00 per benefit unit.
- ⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- ⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$27.60 per benefit unit for condominiums, apartments, and mobile homes. The rate does not increase.
- ⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.
- ⁽¹⁰⁾ Parcels in CFD No. 14, Tax Zone 2 receive either the NW Mosquito & Vector charge of \$9.70 per parcel (TRA 09-159) or the Jurupa Parks & Recreation Maintenance Charge of \$15.00 per parcel (TRA 09-049). For purposes of this analysis, the higher of the two charges is shown. Amount for the NW Mosquito & Vector charge escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%. The rate for the Jurupa Parks & Recreation Maintenance Charge does not increase.
- ⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 14, Tax Zone 2 Fiscal Year 2014-15 actual Special Tax rate of \$1,414.70 per unit for Tax Class 3 property. Assigned Special Tax rate is \$1,769.00 per unit for Tax Class 3 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in CFD No. 14 for Fiscal Year 2009-10 through Fiscal Year 2013-14.

TABLE 18
SPECIAL TAX DELINQUENCY HISTORY
FISCAL YEARS 2009-10 THROUGH 2013-14
CFD NO. 14

<i>Fiscal Year</i>	<i>Total Amount Levied</i>	<i>Total Number of Parcels Levied</i>	<i>Total Delinquent Special Taxes at Fiscal Year End⁽¹⁾</i>	<i>Delinquency Rate at Fiscal Year End</i>	<i>Total Number of Parcels Delinquent as of 11/3/2014</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
2009-10	\$534,397	307	\$37,381	7.00%	0	\$ 0	0.00%
2010-11	480,960	307	21,517	4.47	1	1,450	0.30
2011-12	432,862	307	5,708	1.32	1	1,305	0.30
2012-13	432,862	307	8,637	2.00	2	2,988	0.69
2013-14	432,862	307	7,950	1.84	1	1,305	0.30

⁽¹⁾ Amount delinquent as of June 30 of the fiscal year in which special taxes were levied.
Source: David Taussig & Associates, Inc.

**INSERT AREA MAP FOR
CFD NO. 15
IMPROVEMENT AREA 2**

CFD NO. 15 AND IMPROVEMENT AREA 2

Location and Description. CFD No. 15 and Improvement Area 2 therein was formed by the School District in April 2004 to finance various public improvements needed to develop property located within CFD No. 15. CFD No. 15 Improvement Area 2 is located in the southwestern part of the City of Riverside. CFD No. 15 Improvement Area 2 includes 403 taxable parcels and consists of approximately 129.2 acres. CFD No. 15 Improvement Area 2 is completely built out with 403 completed single family detached homes which have been conveyed to individual homeowners.

Assigned Special Taxes. The following table shows the Assigned Special Taxes and the actual Special Taxes that were levied on parcels of property in CFD No. 15 Improvement Area 2 for Fiscal Year 2014-15 and the percentages of the total Special Tax levy. The final maturity of the CFD No. 15-2 Bonds is September 1, 2035.

**TABLE 19
FISCAL YEAR 2014-15 ASSIGNED AND ACTUAL SPECIAL TAXES
CFD NO. 15, IMPROVEMENT AREA NO. 2**

<i>Property Classification/ Tax Class⁽¹⁾</i>	<i>Number of Units/Acres</i>	<i>Fiscal Year 2014-15 Assigned Special Tax per Unit/Acre</i>	<i>Total Fiscal Year 2014-15 Assigned Special Tax</i>	<i>Fiscal Year 2014-15 Actual Special Tax per Unit/Acre</i>	<i>Fiscal Year 2014-15 Levy</i>	<i>Percent of Maximum Special Tax</i>
Developed Property						
Tax Class 1 (SFD > 3,700 SF)	92 Units	\$ 4,289.00	\$ 394,588.00	\$ 3,667.10	\$ 337,373.20	85.50%
Tax Class 2 (SFD 3,401 - 3,700 SF)	51 Units	4,194.00	213,894.00	3,585.88	182,879.88	85.50
Tax Class 3 (SFD 3,101 - 3,400 SF)	117 Units	3,665.00	428,805.00	3,133.58	366,628.86	85.50
Tax Class 4 (SFD 2,801 - 3,100 SF)	48 Units	3,484.00	167,232.00	2,978.82	142,983.36	85.50
Tax Class 5 (SFD 2,501 - 2,800 SF)	65 Units	3,405.00	221,325.00	2,911.28	189,233.20	85.50
Tax Class 6 (SFD ≤ 2,500 SF)	<u>30 Units</u>	<u>3,247.00</u>	<u>97,410.00</u>	<u>2,776.20</u>	<u>83,286.00</u>	<u>85.50</u>
Total	403 Units	NA	\$ 1,523,254.00	NA	\$ 1,302,384.50	85.50%

⁽¹⁾ Classification pursuant to the Rate and Method of Apportionment.
Source: David Taussig & Associates, Inc.

For the complete text of the CFD No. 15 Improvement Area 2 Rate and Method, see APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

Estimated Direct and Overlapping Indebtedness. Within the boundaries of CFD No. 15 Improvement Area 2 are numerous overlapping local agencies providing public services. The only outstanding debt secured by a special tax or assessment on the parcels within CFD No. 15 Improvement Area 2 is the Community Facilities District No. 15 (Mission Ranch) of Riverside Unified School District 2005 Special Tax Bonds, Series A (Improvement Area No. 2) (the “Prior CFD No. 15-2 Bonds”). However, Table 20 below does not include the Prior CFD No. 15-2 Bonds and instead includes the \$14,715,000* aggregate principal amount of the Community Facilities District No. 15 (Mission Ranch) of Riverside Unified School District, 2015 Special Tax Refunding Bonds (the “CFD No. 15 Bonds”) being issued to refund the Prior CFD No. 15-2 Bonds. In addition, there is \$1,667,420 outstanding principal amount of general obligation bonds allocable to CFD No. 15 Improvement Area 2 based on the current assessed value of CFD No. 15 Improvement Area 2 relative to the current assessed value within the boundaries of the applicable taxing jurisdiction issuing the general obligation bonds.

* Preliminary, subject to change.

**TABLE 20
DIRECT AND OVERLAPPING DEBT SUMMARY
AS OF SEPTEMBER 2, 2014
CFD NO. 15, IMPROVEMENT AREA NO. 2**

<i>Overlapping District</i>	<i>Actual Fiscal Year 2014-15 Total Levy</i>	<i>Amount of Levy on Parcels in District</i>	<i>Percent on Levy on Parcels in District</i>	<i>Total Debt Outstanding⁽¹⁾</i>	<i>District Share of Total Debt Outstanding</i>
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$77,928 ⁽²⁾	0.7331%	\$138,110,000	\$ 1,012,438
City of Riverside G.O. Bonds	1,444,251	9,192 ⁽²⁾	0.6365	13,395,000	85,255
Metropolitan Water District G.O. Bonds	100,066,262	5,139 ⁽²⁾	0.0051	132,275,000	6,794
Riverside City Community College G.O. Bonds	14,174,770	26,299 ⁽²⁾	0.1855	227,097,323 ⁽³⁾	421,345
WRCOG HERO Program ⁽⁴⁾	NA	15,257	NA	141,588	<u>141,588⁽⁵⁾</u>
				Estimated Share of Overlapping Debt Allocable to the District	\$ 1,667,420
				Plus the Series 2014 Refunding CFD No. 15, IA No. 2 Bonds	<u>\$ 14,715,000*</u>
				Estimated Share of Direct and Overlapping Debt Allocable to the District	<u>\$ 16,382,420*</u>

* Preliminary, subject to change.

(1) As of September 2, 2014. Principal for City of Riverside GO Bonds and Community College Bonds is made on August 1 of each year. Principal for MWD GO Bonds is made on March 1 of each year. All other districts pay principal on September 1 of each year.

(2) Estimated Fiscal Year 2014-15 levy. Calculated by multiplying the Fiscal Year 2014-15 *ad valorem* rate by the Fiscal Year 2014-15 net assessed value.

(3) Includes 2014 GO Refunding Bonds, Series A & B, issued May 29, 2014.

(4) The WRCOG HERO Program is a Property Assessed Clean Energy (PACE) program under AB 811. Participating property owners enter into a contractual assessment with WRCOG to finance energy efficiency, renewable energy, and water conservation improvements on their property. Bonds are issued, and the assessments are paid back over time through an annual assessment on the property tax bill.

(5) Includes outstanding assessment lien for five parcels in CFD 15 IA No. 2.

Source: David Taussig & Associates, Inc.

Value-to-Lien Ratios. The total assessed values of all of the taxable property in CFD No. 15 Improvement Area 2, as determined by the County Assessor for Fiscal Year 2014-15, is \$148,448,235. The direct and overlapping land secured special tax, assessment and general obligation bonded indebtedness within CFD No. 15 Improvement Area 2 as of September 2, 2014 was approximately \$16,382,420*. The assessed value-to-lien ratio of the property within CFD No. 15 Improvement Area 2, based on the Fiscal Year 2014-15 assessed values, the aggregate principal amount of the CFD No. 15-2 Bonds and the estimated direct and overlapping land secured special tax, and assessment and general obligation bonded indebtedness within CFD No. 15 Improvement Area 2 is approximately 9.06-to-1*. The following table summarizes the assessed value-to-lien ratios within CFD No. 15 Improvement Area 2 by owner.

* Preliminary, subject to change.

**TABLE 21
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS
CFD NO. 15, IMPROVEMENT AREA NO. 2**

<i>Owner⁽¹⁾</i>	<i>Fiscal Year 2014-15 CFD No. 15, IA No. 2 Levy</i>	<i>Percent of Total Levy</i>	<i>Number of Parcels</i>	<i>CFD No. 15, IA No. 2 Outstanding Bond Amount^{(2)*}</i>	<i>RUSD GO Outstanding Bond Amount⁽³⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽³⁾</i>	<i>MWD GO Outstanding Bond Amount⁽³⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽³⁾</i>	<i>WRCOG HERO Program Outstanding Bond Amount⁽⁴⁾</i>	<i>Total Direct and Overlapping Debt[*]</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁵⁾</i>	<i>Value- to-Lien Ratio[*]</i>
Individual Owners	\$ 1,302,385	100.00%	403	\$ 14,715,000	\$ 1,012,438	\$ 85,255	\$ 6,794	\$ 421,345	\$ 141,588	\$ 16,382,420	\$ 148,448,235	9.06

* Preliminary, subject to change.

(1) Based on ownership as of January 1, 2014 provided by the Riverside County Assessor.

(2) \ Allocated based on share of Fiscal Year 2014-15 special tax levy.

(3) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(4) The WRCOG HERO Program is a Property Assessed Clean Energy (PACE) program under AB 811. Participating property owners enter into a contractual assessment with WRCOG to finance energy efficiency, renewable energy, and water conservation improvements on their property. Bonds are issued, and the assessments are paid back over time through an annual assessment on the property tax bill.

(5) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Value-to-lien Ratios by Range. The following table summarizes the assessed value-to-lien ratios within CFD No. 15 Improvement Area 2 by value-to-lien range.

**TABLE 22
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS BY RANGES
CFD NO. 15, IMPROVEMENT AREA NO. 2**

<i>Value-to-Lien Range</i>	<i>Number of Residential Units</i>	<i>Fiscal Year 2014-15 CFD No. 15, IA No. 2 Levy</i>	<i>CFD No. 15, IA No. 2 Outstanding Bond Amount^{(1)*}</i>	<i>Percent of Total CFD No. 15, IA No. 2 Outstanding Bond Amount[*]</i>	<i>RUSD GO Outstanding Bond Amount⁽²⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽²⁾</i>	<i>MWD GO Outstanding Bond Amount⁽²⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽²⁾</i>	<i>WRCOG HERO Program Outstanding Bond Amount⁽³⁾</i>	<i>Total Direct and Overlapping Debt[*]</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁴⁾</i>	<i>Percent of Total Fiscal Year 2014-15 Assessed Value[*]</i>	<i>Value-to-Lien Ratio[*]</i>
0.00-4.99	3 ⁽⁵⁾	\$ 9,024	\$ 101,954	0.69%	\$ 5,970	\$ 503	\$ 40	\$ 2,485	\$ 76,090	\$ 187,042	\$ 886,912	0.60%	4.74
5.00-9.99	307	977,290	11,041,917	75.04	718,653	60,516	4,822	299,081	65,498	12,190,488	105,523,693	71.08	8.66
10.00-14.99	93	316,071	3,571,129	24.27	287,814	24,236	1,931	119,779	0	4,004,890	42,037,630	28.32	10.50
15.00-19.99	0	0	0	0.00	0	0	0	0	0	0	0	0.00	NA
20.00 or Greater	0	0	0	0.00	0	0	0	0	0	0	0	0.00	NA
Total	403	\$ 1,302,385	\$ 14,715,000	100.00%	\$ 1,012,438	\$ 85,255	\$ 6,794	\$ 421,345	\$ 141,588	\$ 16,382,420	\$ 148,448,235	100.00%	9.06

* Preliminary, subject to change.

(1) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(2) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(3) The WRCOG HERO Program is a Property Assessed Clean Energy (PACE) program under AB 811. Participating property owners enter into a contractual assessment with WRCOG to finance energy efficiency, renewable energy, and water conservation improvements on their property. Bonds are issued, and the assessments are paid back over time through an annual assessment on the property tax bill.

(4) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

(5) Based on discussions with the Riverside County Assessor's Office, one parcel has reduced assessed value due to a change in ownership in 2009. Two parcels have outstanding assessment lien amounts for the WRCOG HERO Program.

Source: David Taussig & Associates, Inc.

Sample Tax. The following tables show the projected total effective tax rate for sample residential parcels in CFD No. 15 Improvement Area 2, based on the average square footage of the homes located on such parcels and other characteristics described in the tables.

**TABLE 23A
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 09-150, 09-162
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 3 (3,101-3,400 SF)
CFD NO. 15, IMPROVEMENT AREA NO. 2**

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾		\$356,905	
Average Unit Size for Developed Property ⁽²⁾		3,241 Square Feet	
Average Lot Size for Developed Property ⁽³⁾		9,844 Square Feet	
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 3,569.05	
Metropolitan Water District G.O. Bonds	0.00350	12.49	
City of Riverside G.O. Bonds	0.00626	22.34	
Riverside Unified School District G.O. Bonds	0.05307	189.41	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>63.92</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 3,857.22	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.77	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		31.44	
City of Riverside Library Services ⁽⁹⁾		19.00	
Riverside Unified School District CFD No. 15, IA No. 2 ⁽¹⁰⁾		<u>3,133.58</u>	<u>\$ 3,665.00</u>
Total Assessments and Parcel Charges		\$ 3,203.81	\$ 3,735.23
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 7,061.03</u>	<u>\$ 7,592.45</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.97840%	2.12730%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 117 Tax Class 3 units in CFD No. 15, IA No. 2 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 117 Tax Class 3 units in CFD No. 15, IA No. 2.

⁽³⁾ Based on the average lot size for 117 Tax Class 3 units in CFD No. 15, IA No. 2.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be 8.40 per benefit unit and the Fiscal Year 2016-17 rate will be 10.00 per benefit unit.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$31.44 per benefit unit. The rate does not increase.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

⁽¹⁰⁾ Based on the Riverside Unified School District CFD No. 15, IA No. 2 Fiscal Year 2014-15 actual Special Tax rate of \$3,133.58 per unit for Tax Class 3 property. Assigned Special Tax rate is \$3,665.00 per unit for Tax Class 3 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates.

TABLE 23B
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 88-092, 88-095
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 5 (2,501-2,800 SF)
CFD NO. 15, IMPROVEMENT AREA NO. 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾		\$373,000	
NET ASSESSED VALUE ⁽¹⁾		\$366,000	
Unit Size ⁽²⁾		2,619 Square Feet	
Lot Size ⁽³⁾		12,197 Square Feet	
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 3,660.00	
Metropolitan Water District G.O. Bonds	0.00350	12.81	
City of Riverside G.O. Bonds	0.00626	22.91	
Riverside Unified School District G.O. Bonds	0.05307	194.24	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>65.55</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 3,955.51	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.78	
County Service Area 152 – Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		31.44	
City of Riverside Library Services ⁽⁹⁾		19.00	
WRCOG HERO Funded Fiscal Year 2013-14 ⁽¹⁰⁾		4,356.52	
Riverside Unified School District CFD No. 15, IA No. 2 ⁽¹¹⁾		<u>2,911.28</u>	<u>\$ 3,405.00</u>
Total Assessments and Parcel Charges		\$ 7,338.04	\$ 7,831.76
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 11,293.55</u>	 <u>\$ 11,787.27</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 3.02776%	 3.16013%

- (1) Based on assessed values for unit with highest WRCOG HERO PACE assessment in CFD No. 15, IA No. 2 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- (2) Based on actual unit size.
- (3) Based on actual lot size.
- (4) Actual Fiscal Year 2014-15 *ad valorem* rates.
- (5) Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- (6) Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be 8.40 per benefit unit and the Fiscal Year 2016-17 rate will be 10.00 per benefit unit.
- (7) Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- (8) Based on the Fiscal Year 2014-15 rate of \$31.44 per benefit unit. The rate does not increase.
- (9) Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.
- (10) Based on administrative expenses, principal and interest due on outstanding lien on March 1, 2015 and September 1, 2015.
- (11) Based on the Riverside Unified School District CFD No. 15, IA No. 2 Fiscal Year 2014-15 actual Special Tax rate of \$2,911.28 per unit for Tax Class 5 property. Assigned Special Tax rate is \$3,405.00 per unit for Tax Class 5 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates.

TABLE 23C
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 09-150, 09-162
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 6 (≤2,500 SF)
CFD NO. 15, IMPROVEMENT AREA NO. 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
\$298,528			
Average Unit Size for Developed Property ⁽²⁾			
2,093 Square Feet			
Average Lot Size for Developed Property ⁽³⁾			
8,959 Square Feet			
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,985.28	
Metropolitan Water District G.O. Bonds	0.00350	10.45	
City of Riverside G.O. Bonds	0.00626	18.69	
Riverside Unified School District G.O. Bonds	0.05307	158.43	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>53.47</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 3,226.31	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 3.76	
County Service Area 152 – Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		31.44	
City of Riverside Library Services ⁽⁹⁾		19.00	
Riverside Unified School District CFD No. 15, IA No. 2 ⁽¹⁰⁾		<u>2,776.20</u>	<u>\$ 3,247.00</u>
Total Assessments and Parcel Charges		\$ 2,846.42	\$ 3,317.22
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 6,072.73</u>	 <u>\$ 6,543.53</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 2.03423%	 2.19193%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 30 Tax Class 6 units in CFD No. 15, IA No. 2 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 30 Tax Class 6 units in CFD No. 15, IA No. 2.

⁽³⁾ Based on the average lot size for 30 Tax Class 6 units in CFD No. 15, IA No. 2.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be 8.40 per benefit unit and the Fiscal Year 2016-17 rate will be 10.00 per benefit unit.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$31.44 per benefit unit. The rate does not increase.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

⁽¹⁰⁾ Based on the Riverside Unified School District CFD No. 15, IA No. 2 Fiscal Year 2014-15 actual Special Tax rate of \$2,776.20 per unit for Tax Class 6 property. Assigned Special Tax rate is \$3,247.00 per unit for Tax Class 6 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in CFD No. 15 Improvement Area 2 for Fiscal Year 2009-10 through Fiscal Year 2013-14.

**TABLE 24
SPECIAL TAX DELINQUENCY HISTORY
FISCAL YEARS 2009-10 THROUGH 2013-14
CFD NO. 15, IMPROVEMENT AREA NO. 2**

<i>Fiscal Year</i>	<i>Total Amount Levied</i>	<i>Total Number of Parcels Levied</i>	<i>Total Delinquent Special Taxes at Fiscal Year End⁽¹⁾</i>	<i>Delinquency Rate at Fiscal Year End</i>	<i>Total Number of Parcels Delinquent as of 11/3/2014</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
2009-10	\$1,523,254	403	\$100,058	6.57%	1	\$ 1,833 ⁽²⁾	0.12%
2010-11	1,447,094	403	58,818	4.06	2	6,964 ⁽³⁾	0.48
2011-12	1,302,385	403	30,578	2.35	2	6,267 ⁽³⁾	0.48
2012-13	1,302,385	403	39,286	3.02	3	9,853 ⁽³⁾	0.76
2013-14	1,302,385	403	16,499	1.27	3	9,853 ⁽³⁾	0.76

⁽¹⁾ Amount delinquent as of June 30 of the fiscal year in which special taxes were levied.

⁽²⁾ Includes delinquent amount for one parcel in CFD No. 15, IA No. 2 currently under foreclosure.

⁽³⁾ Includes delinquent amounts for two parcels in CFD No. 15, IA No. 2 currently under foreclosure.

Source: David Taussig & Associates, Inc.

**INSERT AREA MAP FOR
CFD NO. 17**

CFD NO. 17

Location and Description. CFD No. 17 was formed by the School District in August 2004 to finance various public improvements needed to develop property located within CFD No. 17. CFD No. 17 consists of approximately 16.8 acres in an area known as Mockingbird Canyon and is located approximately 5 miles southwest of the downtown area of the City of Riverside. CFD No. 17 includes 110 taxable parcels. CFD No. 17 is completely built out with 110 completed single family detached homes which have been conveyed to individual homeowners.

Assigned Special Taxes. The following table shows the Assigned Special Taxes and the actual Special Taxes that were levied on parcels of property in CFD No. 17 for Fiscal Year 2014-15 and the percentages of the total Special Tax levy. The final maturity of the CFD No. 17 Bonds is September 1, 2035.

**TABLE 25
FISCAL YEAR 2014-15 ASSIGNED AND ACTUAL SPECIAL TAXES
CFD NO. 17**

<i>Property Classification/ Tax Class⁽¹⁾</i>	<i>Number of Units/Acres</i>	<i>Fiscal Year 2014-15 Assigned Special Tax per Unit/Acre⁽²⁾</i>	<i>Total Fiscal Year 2014-15 Assigned Special Tax</i>	<i>Fiscal Year 2014-15 Actual Special Tax per Unit/Acre</i>	<i>Fiscal Year 2014-15 Levy</i>	<i>Percent of Maximum Special Tax</i>
Developed Property						
Tax Class 1 (SFD ≥ 2,000 SF)	58 Units	\$ 2,267.02	\$ 131,487.16	\$ 1,689.64	\$ 97,999.12	74.53%
Tax Class 2 (SFD 1,500 - 1,999 SF)	40 Units	1,993.42	79,736.80	1,485.72	59,428.80	74.53
Tax Class 3 (SFD < 1,500 SF)	<u>12 Units</u>	<u>1,719.82</u>	<u>20,637.84</u>	<u>1,281.80</u>	<u>15,381.60</u>	<u>74.53</u>
Total	110 Units	NA	\$ 231,861.80	NA	\$ 172,809.52	74.53%

⁽¹⁾ Classification pursuant to the Rate and Method of Apportionment.

⁽²⁾ The Assigned Special Tax rates increase by 2.00% per year.

Source: David Taussig & Associates, Inc.

For the complete text of the CFD No. 17 Rate and Method, see APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

Estimated Direct and Overlapping Indebtedness. Within the boundaries of CFD No. 17 are numerous overlapping local agencies providing public services. The only outstanding debt secured by a special tax or assessment on the parcels within CFD No. 17 is the Community Facilities District No. 17 (Aldea Village) of Riverside Unified School District 2005 Special Tax Bonds (the “Prior CFD No. 17 Bonds”). However, Table 26 below does not include the Prior CFD No. 17 Bonds and instead includes the \$2,330,000* aggregate principal amount of the Community Facilities District No. 17 of Riverside Unified School District, 2015 Special Tax Refunding Bonds (the “CFD No. 17 Bonds”) being issued to refund the Prior CFD No. 17 Bonds. In addition, there is \$246,295 outstanding principal amount of general obligation bonds allocable to CFD No. 17 based on the current assessed value of CFD No. 17 relative to the current assessed value within the boundaries of the applicable taxing jurisdiction issuing the general obligation bonds.

* Preliminary, subject to change.

**TABLE 26
DIRECT AND OVERLAPPING DEBT SUMMARY
AS OF SEPTEMBER 2, 2014
CFD NO. 17**

<i>Overlapping District</i>	<i>Actual Fiscal Year 2014-15 Total Levy</i>	<i>Amount of Levy on Parcels in District</i>	<i>Percent on Levy on Parcels in District</i>	<i>Total Debt Outstanding⁽¹⁾</i>	<i>District Share of Total Debt Outstanding</i>
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$12,579 ⁽²⁾	0.1183%	\$138,110,000	\$ 163,425
City of Riverside G.O. Bonds	1,444,251	1,484 ⁽²⁾	0.1027	13,395,000	13,762
Metropolitan Water District G.O. Bonds	100,066,262	830 ⁽²⁾	0.0008	132,275,000	1,097
Riverside City Community College G.O. Bonds	14,174,770	4,245 ⁽²⁾	0.0299	227,097,323 ⁽³⁾	<u>68,012</u>
				Estimated Share of Overlapping Debt Allocable to the District	\$ 246,295
				Plus the Series 2014 Refunding CFD No. 17 Bonds	<u>\$ 2,330,000*</u>
				Estimated Share of Direct and Overlapping Debt Allocable to the District	\$ 2,576,295*

* Preliminary, subject to change.

(1) As of September 2, 2014. Principal for City of Riverside GO Bonds and Community College Bonds is made on August 1 of each year. Principal for MWD GO Bonds is made on March 1 of each year. All other districts pay principal on September 1 of each year.

(2) Estimated Fiscal Year 2014-15 levy. Calculated by multiplying the Fiscal Year 2014-15 *ad valorem* rate by the Fiscal Year 2014-15 net assessed value.

(3) Includes 2014 GO Refunding Bonds, Series A & B, issued May 29, 2014.

Source: David Taussig & Associates, Inc.

Value-to-Lien Ratios. The total assessed values of all of the taxable property in CFD No. 17, as determined by the County Assessor for Fiscal Year 2014-15, is \$23,940,620. The direct and overlapping land secured special tax, assessment and general obligation bonded indebtedness within CFD No. 17 as of September 2, 2014 was approximately \$2,576,295*. The assessed value-to-lien ratio of the property within CFD No. 17, based on the Fiscal Year 2014-15 assessed values, the aggregate principal amount of the CFD No. 17 Bonds and the estimated direct and overlapping land secured special tax, and assessment and general obligation bonded indebtedness within CFD No. 17 is approximately 9.29-to-1*. The following table summarizes the assessed value-to-lien ratios within CFD No. 17 by owner.

* Preliminary, subject to change.

**TABLE 27
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS
CFD NO. 17**

<i>Owner⁽¹⁾</i>	<i>Fiscal Year 2014-15 CFD No. 17 Levy</i>	<i>Percent of Total Levy</i>	<i>Number of Parcels</i>	<i>CFD No. 17 Outstanding Bond Amount^{(2)*}</i>	<i>RUSD GO Outstanding Bond Amount⁽³⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽³⁾</i>	<i>MWD GO Outstanding Bond Amount⁽³⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽³⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁴⁾</i>	<i>Value- to-Lien Ratio*</i>
Individual Owners	\$ 172,810	100.00%	110	\$2,330,000	\$ 163,425	\$ 13,762	\$ 1,097	\$ 68,012	\$ 2,576,295	\$ 23,940,620	9.29

* Preliminary, subject to change.

(1) Based on ownership as of January 1, 2014 provided by the Riverside County Assessor.

(2) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(3) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(4) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Value-to-lien Ratios by Range. The following table summarizes the assessed value-to-lien ratios within CFD No. 17 by value-to-lien range.

**TABLE 28
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS BY RANGES
CFD NO. 17**

<i>Value-to-Lien Range</i>	<i>Number of Residential Units</i>	<i>Fiscal Year 2014-15 CFD No. 17 Levy</i>	<i>CFD No. 17 Outstanding Bond Amount^{(1)*}</i>	<i>Percent of Total CFD No. 17 Outstanding Bond Amount*</i>	<i>RUSD GO Outstanding Bond Amount⁽²⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽²⁾</i>	<i>MWD GO Outstanding Bond Amount⁽²⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽²⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽³⁾</i>	<i>Percent of Total Fiscal Year 2014-15 Assessed Value*</i>	<i>Value-to-Lien Ratio*</i>
0.00-4.99	0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.00%	NA
5.00-9.99	68	107,758	1,452,911	62.36	89,509	7,537	601	37,251	1,587,809	13,087,086	54.66	8.24
10.00-14.99	42	65,051	877,089	37.64	73,916	6,224	496	30,762	988,487	10,853,534	45.34	10.98
15.00-19.99	0	0	0	0.00	0	0	0	0	0	0	0.00	NA
20.00 or Greater	0	0	0	0.00	0	0	0	0	0	0	0.00	NA
Total	110	\$ 172,810	\$ 2,330,000	100.00%	\$ 163,425	\$ 13,762	\$ 1,097	\$ 68,012	\$ 2,576,295	\$ 23,940,620	100.00%	9.29

* Preliminary, subject to change.

(1) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(2) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(3) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Sample Tax Bill. The following table shows the projected total effective tax rate for sample residential parcels in CFD No. 17, based on the average square footage of the homes located on such parcels and other characteristics described in the table.

TABLE 29
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 09-158
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥2,000 SF)
CFD NO. 17

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾		\$232,466	
Average Unit Size for Developed Property ⁽²⁾		2,173 Square Feet	
Average Lot Size for Developed Property ⁽³⁾		3,530 Square Feet	
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,324.66	
Metropolitan Water District G.O. Bonds	0.00350	8.14	
City of Riverside G.O. Bonds	0.00626	14.55	
Riverside Unified School District G.O. Bonds	0.05307	123.37	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>41.63</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,512.36	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 1.82	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		31.44	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 17 ⁽¹¹⁾		<u>1,689.64</u>	<u>\$ 2,267.02</u>
Total Assessments and Parcel Charges		\$ 1,767.62	\$ 2,345.00
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 4,279.98</u>	<u>\$ 4,857.36</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.84112%	2.08949%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 58 Tax Class 1 units in CFD No. 17, as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 58 Tax Class 1 units in CFD No. 17.

⁽³⁾ Based on the average lot size for 58 Tax Class 1 units in CFD No. 17.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit, and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$31.44 per benefit unit. The rate does not increase.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.

⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 17 Fiscal Year 2014-15 actual Special Tax rate of \$1,689.64 per unit for Tax Class 1 property. Assigned Special Tax rate is \$2,267.02 per unit for Tax Class 1 property. The Assigned Special Tax rate escalates annually by 2%.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in CFD No. 17 for Fiscal Year 2009-10 through Fiscal Year 2013-14.

**TABLE 30
SPECIAL TAX DELINQUENCY HISTORY
FISCAL YEARS 2009-10 THROUGH 2013-14
CFD NO. 17**

<i>Fiscal Year</i>	<i>Total Amount Levied</i>	<i>Total Number of Parcels Levied</i>	<i>Total Delinquent Special Taxes at Fiscal Year End⁽¹⁾</i>	<i>Delinquency Rate at Fiscal Year End</i>	<i>Total Number of Parcels Delinquent as of 11/3/2014</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
2009-10	\$180,677	110	\$8,193	4.53%	1	\$ 1,553 ⁽²⁾	0.86%
2010-11	171,642	110	4,427	2.58	1	1,476 ⁽²⁾	0.86
2011-12	163,060	110	6,501	3.99	2	2,103 ⁽²⁾	1.29
2012-13	163,060	110	4,302	2.64	1	1,402 ⁽²⁾	0.86
2013-14	166,321	110	3,673	2.21	0	0	0.00

⁽¹⁾ Amount delinquent as of June 30 of the fiscal year in which special taxes were levied.

⁽²⁾ Includes delinquent amount for one parcel in CFD No. 17 currently under foreclosure.

Source: David Taussig & Associates, Inc.

**INSERT AREA MAP FOR
CFD NO. 18**

CFD NO. 18

Location and Description. CFD No. 18 was formed by the School District in April 2004 to finance various public improvements needed to develop property located within CFD No. 18. CFD No. 18 consists of approximately 160 acres in an area known as Mockingbird Canyon and is located approximately 5 miles southwest of the downtown area of the City of Riverside. CFD No. 18 includes 72 taxable parcels. CFD No. 18 is completely built out with 72 completed single family detached homes which have been conveyed to individual homeowners.

Assigned Special Taxes. The following table shows the Assigned Special Taxes and the actual Special Taxes that were levied on parcels of property in CFD No. 18 for Fiscal Year 2014-15 and the percentages of the total Special Tax levy. The final maturity of the CFD No. 18 Bonds is September 1, 2034.

**TABLE 31
FISCAL YEAR 2014-15 ASSIGNED AND ACTUAL SPECIAL TAXES
CFD NO. 18**

<i>Property Classification/ Tax Class⁽¹⁾</i>	<i>Number of Units/Acres</i>	<i>Fiscal Year 2014-15 Assigned Special Tax per Unit/Acre</i>	<i>Total Fiscal Year 2014-15 Assigned Special Tax</i>	<i>Fiscal Year 2014-15 Actual Special Tax per Unit/Acre</i>	<i>Fiscal Year 2014-15 Levy</i>	<i>Percent of Maximum Special Tax</i>
Developed Property						
Tax Class 1 (SFD ≥ 4,150 SF)	7 Units	\$ 3,925.00	\$ 27,475.00	\$ 3,036.96	\$ 21,258.72	77.37%
Tax Class 2 (SFD 3,900 - 4,149 SF)	37 Units	3,703.00	137,011.00	2,865.20	106,012.40	77.37
Tax Class 3 (SFD < 3,900 SF)	<u>28 Units</u>	<u>3,407.00</u>	<u>95,396.00</u>	<u>2,636.16</u>	<u>73,812.48</u>	<u>77.37</u>
Total	72 Units	NA	\$ 259,882.00	NA	\$ 201,083.60	77.37%

⁽¹⁾ Classification pursuant to the Rate and Method of Apportionment.
Source: David Taussig & Associates, Inc.

For the complete text of the CFD No. 18 Rate and Method, see APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

Estimated Direct and Overlapping Indebtedness. Within the boundaries of CFD No. 18 are numerous overlapping local agencies providing public services. The only outstanding debt secured by a special tax or assessment on the parcels within CFD No. 18 is the Community Facilities District No. 18 of Riverside Unified School District 2005 Special Tax Bonds (the “Prior CFD No. 18 Bonds”). However, Table 32 below does not include the Prior CFD No. 18 Bonds and instead includes the \$2,165,000* aggregate principal amount of the Community Facilities District No. 18 of Riverside Unified School District, 2015 Special Tax Refunding Bonds (the “CFD No. 18 Bonds”) being issued to refund the Prior CFD No. 18 Bonds. In addition, there is \$537,834 outstanding principal amount of general obligation bonds allocable to CFD No. 18 based on the current assessed value of CFD No. 18 relative to the current assessed value within the boundaries of the applicable taxing jurisdiction issuing the general obligation bonds.

* Preliminary, subject to change.

**TABLE 32
DIRECT AND OVERLAPPING DEBT SUMMARY
AS OF SEPTEMBER 2, 2014
CFD NO. 18**

<i>Overlapping District</i>	<i>Actual Fiscal Year 2014-15 Total Levy</i>	<i>Amount of Levy on Parcels in District</i>	<i>Percent on Levy on Parcels in District</i>	<i>Total Debt Outstanding⁽¹⁾</i>	<i>District Share of Total Debt Outstanding</i>
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$27,469 ⁽²⁾	0.2584%	\$138,110,000	\$ 356,870
City of Riverside G.O. Bonds	1,444,251	3,240 ⁽²⁾	0.2243	13,395,000	30,051
Metropolitan Water District G.O. Bonds	100,066,262	1,812 ⁽²⁾	0.0018	132,275,000	2,395
Riverside City Community College G.O. Bonds	14,174,770	9,270 ⁽²⁾	0.0654	227,097,323 ⁽³⁾	<u>148,518</u>
				Estimated Share of Overlapping Debt Allocable to the District	\$ 537,834
				Plus the Series 2014 Refunding CFD No. 18 Bonds	<u>\$ 2,165,000*</u>
				Estimated Share of Direct and Overlapping Debt Allocable to the District	\$ 2,702,834*

* Preliminary, subject to change.

(1) As of September 2, 2014. Principal for City of Riverside GO Bonds and Community College Bonds is made on August 1 of each year. Principal for MWD GO Bonds is made on March 1 of each year. All other districts pay principal on September 1 of each year.

(2) Estimated Fiscal Year 2014-15 levy. Calculated by multiplying the Fiscal Year 2014-15 *ad valorem* rate by the Fiscal Year 2014-15 net assessed value.

(3) Includes 2014 GO Refunding Bonds, Series A & B, issued May 29, 2014.

Source: David Taussig & Associates, Inc.

Value-to-Lien Ratios. The total assessed values of all of the taxable property in CFD No. 18, as determined by the County Assessor for Fiscal Year 2014-15, is \$52,072,832. The direct and overlapping land secured special tax, assessment and general obligation bonded indebtedness within CFD No. 18 as of September 2, 2014 was approximately \$2,702,834*. The assessed value-to-lien ratio of the property within CFD No. 18, based on the Fiscal Year 2014-15 assessed values, the aggregate principal amount of the CFD No. 18 Bonds and the estimated direct and overlapping land secured special tax, and assessment and general obligation bonded indebtedness within CFD No. 18 is approximately 19.27-to-1*. The following table summarizes the assessed value-to-lien ratios within CFD No. 18 by owner.

* Preliminary, subject to change.

**TABLE 33
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS
CFD NO. 18**

<i>Owner⁽¹⁾</i>	<i>Fiscal Year 2014-15 CFD No. 18 Levy</i>	<i>Percent of Total Levy</i>	<i>Number of Parcels</i>	<i>CFD No. 18 Outstanding Bond Amount^{(2)*}</i>	<i>RUSD GO Outstanding Bond Amount⁽³⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽³⁾</i>	<i>MWD GO Outstanding Bond Amount⁽³⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽³⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁴⁾</i>	<i>Value- to-Lien Ratio*</i>
Individual Owners	\$ 201,084	100.00%	72	\$ 2,165,000	\$ 356,870	\$ 30,051	\$ 2,395	\$ 148,518	\$ 2,702,834	\$ 52,072,832	19.27

* Preliminary, subject to change.

(1) Based on ownership as of January 1, 2014 provided by the Riverside County Assessor.

(2) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(3) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(4) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Value-to-lien Ratios by Range. The following table summarizes the assessed value-to-lien ratios within CFD No. 18 by value-to-lien range.

**TABLE 34
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS BY RANGES
CFD NO. 18**

<i>Value-to-Lien Range</i>	<i>Number of Residential Units</i>	<i>Fiscal Year 2014-15 CFD No. 18 Levy</i>	<i>CFD No. 18 Outstanding Bond Amount^{(1)*}</i>	<i>Percent of Total CFD No. 18 Outstanding Bond Amount*</i>	<i>RUSD GO Outstanding Bond Amount⁽²⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽²⁾</i>	<i>MWD GO Outstanding Bond Amount⁽²⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽²⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽³⁾</i>	<i>Percent of Total Fiscal Year 2014-15 Assessed Value*</i>	<i>Value-to-Lien Ratio*</i>
0.00-4.99	0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.00%	NA
5.00-9.99	0	0	0	0.00	0	0	0	0	0	0	0.00	NA
10.00-14.99	7	18,911	203,611	9.40	23,093	1,945	155	9,611	238,414	3,370,347	6.47	14.14
15.00-19.99	32	89,052	958,797	44.29	139,607	11,756	937	58,100	1,169,198	20,414,791	39.20	17.46
20.00 or Greater	33	93,120	1,002,592	46.31	194,169	16,351	1,303	80,807	1,295,222	28,287,694	54.32	21.84
Total	72	\$ 201,084	\$ 2,165,000	100.00%	\$ 356,870	\$ 30,051	\$ 2,395	\$ 148,518	\$ 2,702,834	\$ 52,072,832	100.00%	19.27

* Preliminary, subject to change.

(1) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(2) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(3) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Sample Tax Bill. The following tables show the projected total effective tax rate for sample residential parcels in CFD No. 18, based on the average square footage of the homes located on such parcels and other characteristics described in the tables.

TABLE 35A
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 09-002
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 2 (3,900-4,149 SF)
CFD NO. 18

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾	\$752,923		
Average Unit Size for Developed Property ⁽²⁾	4,012 Square Feet		
Average Lot Size for Developed Property ⁽³⁾	92,359 Square Feet		
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 7,529.23	
Metropolitan Water District G.O. Bonds	0.00350	26.35	
City of Riverside G.O. Bonds	0.00626	47.13	
Riverside Unified School District G.O. Bonds	0.05307	399.58	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>134.85</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 8,137.14	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 4.48	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
City of Riverside Lighting District ⁽⁸⁾		31.44	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 18 ⁽¹¹⁾		<u>2,865.20</u>	<u>\$ 3,703.00</u>
Total Assessments and Parcel Charges		\$ 2,945.84	\$ 3,783.64
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 11,082.99</u>	<u>\$ 11,920.79</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.47199%	1.58327%

- ⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 37 Tax Class 2 units in CFD No. 18, as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- ⁽²⁾ Based on the average unit size for 37 Tax Class 2 units in CFD No. 18.
- ⁽³⁾ Based on the average lot size for 37 Tax Class 2 units in CFD No. 18.
- ⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.
- ⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- ⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be 8.40 per benefit unit and the Fiscal Year 2016-17 rate will be 10.00 per benefit unit.
- ⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- ⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$31.44 per benefit unit. Some larger lots may be assessed at more than one benefit unit. The first unit of benefit is the first 199 feet of street frontage, with one additional unit of benefit for each 100 feet of street frontage, thereafter. The rate does not increase.
- ⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.
- ⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.
- ⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 18 Fiscal Year 2014-15 actual Special Tax rate of \$2,865.20 per unit for Tax Class 2 property. Assigned Special Tax rate is \$3,703.00 per unit for Tax Class 2 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 35A
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 09-002
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 3 (<3,900 SF)
CFD NO. 18

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
Average Unit Size for Developed Property ⁽²⁾	3,152 Square Feet		
Average Lot Size for Developed Property ⁽³⁾	73,243 Square Feet		
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 6,566.42	
Metropolitan Water District G.O. Bonds	0.00350	22.98	
City of Riverside G.O. Bonds	0.00626	41.11	
Riverside Unified School District G.O. Bonds	0.05307	348.48	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>117.60</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 7,096.59	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 4.32	
County Service Area 152 - Riverside Stormwater ⁽⁶⁾		6.80	
Metropolitan Water District West Standby Charge ⁽⁷⁾		15.50	
City of Riverside Lighting District ⁽⁸⁾		31.44	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 18 ⁽¹¹⁾		<u>2,636.16</u>	<u>\$ 3,407.00</u>
Total Assessments and Parcel Charges		\$ 2,722.92	\$ 3,493.76
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 9,819.51</u>	 <u>\$ 10,590.35</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 1.49541%	 1.61280%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 28 Tax Class 3 units in CFD No. 18, as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 28 Tax Class 3 units in CFD No. 18.

⁽³⁾ Based on the average lot size for 28 Tax Class 3 units in CFD No. 18.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be 8.40 per benefit unit and the Fiscal Year 2016-17 rate will be 10.00 per benefit unit.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$31.44 per benefit unit. Some larger lots may be assessed at more than one benefit unit. The first unit of benefit is the first 199 feet of street frontage, with one additional unit of benefit for each 100 feet of street frontage, thereafter. The rate does not increase.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.

⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 18 Fiscal Year 2014-15 actual Special Tax rate of \$2,636.16 per unit for Tax Class 3 property. Assigned Special Tax rate is \$3,407.00 per unit for Tax Class 3 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in CFD No. 18 for Fiscal Year 2009-10 through Fiscal Year 2013-14.

**TABLE 36
SPECIAL TAX DELINQUENCY HISTORY
FISCAL YEARS 2009-10 THROUGH 2013-14
CFD NO. 18**

<i>Fiscal Year</i>	<i>Total Amount Levied</i>	<i>Total Number of Parcels Levied</i>	<i>Total Delinquent Special Taxes at Fiscal Year End⁽¹⁾</i>	<i>Delinquency Rate at Fiscal Year End</i>	<i>Total Number of Parcels Delinquent as of 11/3/2014</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
2009-10	\$247,563	72	\$17,285	6.98%	0	\$ 0	0.00%
2010-11	235,185	72	3,351	1.42	0	0	0.00
2011-12	211,667	72	1,387	0.66	0	0	0.00
2012-13	201,084	72	5,501	2.74	0	0	0.00
2013-14	201,084	72	2,636	1.31	0	0	0.00

⁽¹⁾ Amount delinquent as of June 30 of the fiscal year in which special taxes were levied.
Source: David Taussig & Associates, Inc.

**INSERT AREA MAP FOR
CFD NO. 21
IMPROVEMENT AREA 2**

CFD NO. 21 AND IMPROVEMENT AREA 2

Location and Description. CFD No. 21 and Improvement Area 2 therein was formed by the School District in December 2005 to finance various public improvements needed to develop property located within CFD No. 21. CFD No. 21 Improvement Area 2 contains approximately 69.94 acres and is located in the northwest portion of the City of Riverside. CFD No. 21 Improvement Area 2 includes 65 taxable parcels. CFD No. 21 Improvement Area 2 is completely built out with 65 completed single family detached homes which have been conveyed to individual homeowners.

Assigned Special Taxes. The following table shows the Assigned Special Taxes and the actual Special Taxes that were levied on parcels of property in CFD No. 21 Improvement Area 2 for Fiscal Year 2014-15 and the percentages of the total Special Tax levy. The final maturity of the CFD No. 21-2 Bonds is September 1, 2037.

**TABLE 37
FISCAL YEAR 2014-15 ASSIGNED AND ACTUAL SPECIAL TAXES
CFD NO. 21, IMPROVEMENT AREA NO. 2**

<i>Property Classification/ Tax Class⁽¹⁾</i>	<i>Number of Units/Acres</i>	<i>Fiscal Year 2014-15 Assigned Special Tax per Unit/Acre⁽²⁾</i>	<i>Total Fiscal Year 2014-15 Assigned Special Tax</i>	<i>Fiscal Year 2014-15 Actual Special Tax per Unit/Acre</i>	<i>Fiscal Year 2014-15 Levy</i>	<i>Percent of Maximum Special Tax</i>
Developed Property						
Tax Class 1 (SFD ≥ 5,000 SF)	29 Units	\$ 4,238.99	\$ 122,930.71	\$ 3,244.54	\$ 94,091.66	76.54%
Tax Class 2 (SFD 4,000 - 4,999 SF)	30 Units	3,949.78	118,493.40	3,023.16	90,694.80	76.54
Tax Class 8 (SFD < 4,000 SF)	6 Units	3,603.20	21,619.20	2,757.90	16,547.40	76.54
Total	65 Units	NA	\$ 263,043.31	NA	\$ 201,333.86	76.54%

⁽¹⁾ Classification pursuant to the Rate and Method of Apportionment.

⁽²⁾ The Assigned Special Tax rates increase by 2.00% per year.

Source: David Taussig & Associates, Inc.

For the complete text of the CFD No. 21 Improvement Area 2 Rate and Method, see APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

Estimated Direct and Overlapping Indebtedness. Within the boundaries of CFD No. 21 Improvement Area 2 are numerous overlapping local agencies providing public services. The only outstanding debt secured by a special tax or assessment on the parcels within CFD No. 21 Improvement Area 2 is the Community Facilities District No. 21 of Riverside Unified School District 2007 Special Tax Bonds, Series A (Improvement Area No. 2) (the “Prior CFD No. 21-2 Bonds”). However, Table 38 below does not include the Prior CFD No. 21-2 Bonds and instead includes the \$2,830,000* aggregate principal amount of the Community Facilities District No. 21 of Riverside Unified School District, 2015 Special Tax Refunding Bonds (Improvement Area 2) (the “CFD No. 21 Bonds”) being issued to refund the Prior CFD No. 21-2 Bonds. In addition, there is \$424,147 outstanding principal amount of general obligation bonds allocable to CFD No. 21 Improvement Area 2 based on the current assessed value of CFD No. 21 Improvement Area 2 relative to the current assessed value within the boundaries of the applicable taxing jurisdiction issuing the general obligation bonds.

* Preliminary, subject to change.

**TABLE 38
DIRECT AND OVERLAPPING DEBT SUMMARY
AS OF SEPTEMBER 2, 2014
CFD NO. 21, IMPROVEMENT AREA NO. 2**

<i>Overlapping District</i>	<i>Actual Fiscal Year 2014-15 Total Levy</i>	<i>Amount of Levy on Parcels in District</i>	<i>Percent on Levy on Parcels in District</i>	<i>Total Debt Outstanding⁽¹⁾</i>	<i>District Share of Total Debt Outstanding</i>
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$20,432 ⁽²⁾	0.1922%	\$138,110,000	\$ 265,453
Metropolitan Water District G.O. Bonds	100,066,262	1,348 ⁽²⁾	0.0013	132,275,000	1,781
Riverside City Community College G.O. Bonds	14,174,770	6,895 ⁽²⁾	0.0486	227,097,323 ⁽³⁾	110,473
WRCOG HERO Program ⁽⁴⁾	NA	4,843	NA	46,440	<u>46,440⁽⁵⁾</u>
				Estimated Share of Overlapping Debt Allocable to the District	\$ 424,147
				Plus the Series 2014 Refunding CFD No. 21, IA No. 2 Bonds	<u>\$ 2,830,000*</u>
				Estimated Share of Direct and Overlapping Debt Allocable to the District	\$ 3,254,147*

* Preliminary, subject to change.

(1) As of September 2, 2014. Principal for City of Riverside GO Bonds and Community College Bonds is made on August 1 of each year. Principal for MWD GO Bonds is made on March 1 of each year. All other districts pay principal on September 1 of each year.

(2) Estimated Fiscal Year 2014-15 levy. Calculated by multiplying the Fiscal Year 2014-15 *ad valorem* rate by the Fiscal Year 2014-15 net assessed value.

(3) Includes 2014 GO Refunding Bonds, Series A & B, issued May 29, 2014.

(4) The WRCOG HERO Program is a Property Assessed Clean Energy (PACE) program under AB 811. Participating property owners enter into a contractual assessment with WRCOG to finance energy efficiency, renewable energy, and water conservation improvements on their property. Bonds are issued, and the assessments are paid back over time through an annual assessment on the property tax bill.

(5) Includes outstanding assessment lien for one parcel in CFD 21, IA No. 2.

Source: David Taussig & Associates, Inc.

Value-to-Lien Ratios. The total assessed values of all of the taxable property in CFD No. 21 Improvement Area 2, as determined by the County Assessor for Fiscal Year 2014-15, is \$38,730,078. The direct and overlapping land secured special tax, assessment and general obligation bonded indebtedness within CFD No. 21 Improvement Area 2 as of September 2, 2014 was approximately \$3,254,147*. The assessed value-to-lien ratio of the property within CFD No. 13 Improvement Area 2, based on the Fiscal Year 2014-15 assessed values, the aggregate principal amount of the CFD No. 21-2 Bonds and the estimated direct and overlapping land secured special tax, and assessment and general obligation bonded indebtedness within CFD No. 21 Improvement Area 2 is approximately 11.90-to-1*. The following table summarizes the assessed value-to-lien ratios within CFD No. 21 Improvement Area 2 by owner.

* Preliminary, subject to change.

TABLE 39
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS
CFD NO. 21, IMPROVEMENT AREA NO. 2

<i>Owner⁽¹⁾</i>	<i>Fiscal Year 2014-15 CFD</i>		<i>Number of Parcels</i>	<i>CFD No. 21, IA No. 2</i>				<i>WRCOG HERO Program</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁵⁾</i>	<i>Value-to-Lien Ratio*</i>
	<i>No. 21, IA No. 2 Levy</i>	<i>Percent of Total Levy</i>		<i>Outstanding Bond Amount^{(2)*}</i>	<i>RUSD GO Outstanding Bond Amount⁽³⁾</i>	<i>MWD GO Outstanding Bond Amount⁽³⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽³⁾</i>	<i>Outstanding Bond Amount⁽⁴⁾</i>			
Individual Owners	\$ 201,334	100.00%	65	\$2,830,000	\$ 265,453	\$ 1,781	\$ 110,473	\$ 46,440	\$ 3,254,147	\$ 38,730,078	11.90

* Preliminary, subject to change.

(1) Based on ownership as of January 1, 2014 provided by the Riverside County Assessor.

(2) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(3) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(4) The WRCOG HERO Program is a Property Assessed Clean Energy (PACE) program under AB 811. Participating property owners enter into a contractual assessment with WRCOG to finance energy efficiency, renewable energy, and water conservation improvements on their property. Bonds are issued, and the assessments are paid back over time through an annual assessment on the property tax bill.

(5) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Value-to-lien Ratios by Range. The following table summarizes the assessed value-to-lien ratios within CFD No. 21 Improvement Area 2 by value-to-lien category.

**TABLE 40
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS BY RANGES
CFD NO. 21, IMPROVEMENT AREA NO. 2**

Value-to-Lien Range	Number of Residential Units	Fiscal Year 2014-15 CFD No. 21, IA No. 2 Levy	CFD No. 21, IA No. 2 Outstanding Bond Amount^{(1)*}	Percent of Total CFD No. 21, IA No. 2 Outstanding Bond Amount*	RUSD GO Outstanding Bond Amount⁽²⁾	MWD GO Outstanding Bond Amount⁽²⁾	RCCD GO Outstanding Bond Amount⁽²⁾	WRCOG HERO Program Outstanding Bond Amount⁽³⁾	Total Direct and Overlapping Debt*	Fiscal Year 2014-15 Assessed Value⁽⁴⁾	Percent of Total Fiscal Year 2014-15 Assessed Value*	Value-to-Lien Ratio*
0.00-4.99	0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.00%	NA
5.00-9.99	4	12,757	179,313	6.34	14,389	97	5,988	46,440	246,226	2,093,919	5.41	8.50
10.00-14.99	61	188,577	2,650,687	93.66	251,064	1,685	104,485	0	3,007,922	36,636,159	94.59	12.18
15.00-19.99	0	0	0	0.00	0	0	0	0	0	0	0.00	NA
20.00 or Greater	0	0	0	0.00	0	0	0	0	0	0	0.00	NA
Total	65	\$ 201,334	\$ 2,830,000	100.00%	\$ 265,453	\$ 1,781	\$ 110,473	\$ 46,440	\$ 3,254,147	\$ 38,730,078	100.00%	11.90

* Preliminary, subject to change.

(1) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(2) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(3) The WRCOG HERO Program is a Property Assessed Clean Energy (PACE) program under AB 811. Participating property owners enter into a contractual assessment with WRCOG to finance energy efficiency, renewable energy, and water conservation improvements on their property. Bonds are issued, and the assessments are paid back over time through an annual assessment on the property tax bill.

(4) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Sample Tax Bill. The following tables show the projected total effective tax rate for sample residential parcels in CFD No. 21 Improvement Area 2, based on the average square footage of the homes located on such parcels and other characteristics described in the tables.

TABLE 41A
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 88-093
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥5,000 SF)
CFD NO. 21, IMPROVEMENT AREA NO. 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾		\$615,609	
Average Unit Size for Developed Property ⁽²⁾		5,419 Square Feet	
Average Lot Size for Developed Property ⁽³⁾		40,421 Square Feet	
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 6,156.09	
Metropolitan Water District G.O. Bonds	0.00350	21.55	
Riverside Unified School District G.O. Bonds	0.05307	326.70	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>110.26</u>	
Total General Property Taxes and Overrides	1.07448%	\$ 6,614.59	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 4.04	
County Service Area 87 - Street Lights ⁽⁶⁾		58.62	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 NPDES ⁽⁸⁾		40.00	
Lighting & Landscaping Maintenance District No. 89-1-C Zone 26 ⁽⁹⁾		138.58	
Riverside Unified School District CFD No. 10, Tax Zone B ⁽¹⁰⁾		<u>3,244.54</u>	<u>\$ 4,238.99</u>
Total Assessments and Parcel Charges		\$ 3,495.00	\$ 4,489.45
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 10,109.59</u>	<u>\$ 11,104.04</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.64221%	1.80375%

(1) Based on average net assessed value plus \$7,000 homeowner's exemption for 29 Tax Class 1 units in CFD No. 21, IA No. 2, as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

(2) Based on the average unit size for 29 Tax Class 1 units in CFD No. 21, IA No. 2.

(3) Based on the average lot size for 29 Tax Class 1 units in CFD No. 21, IA No. 2.

(4) Actual Fiscal Year 2014-15 *ad valorem* rates.

(5) Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

(6) Based on the Fiscal Year 2014-15 rate of \$58.62 per parcel. The rate does not increase.

(7) Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

(8) Based on the Fiscal Year 2014-15 rate of \$40.00 per parcel. The rate does not increase.

(9) Based on the Fiscal Year 2014-15 rate of \$138.58 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles-Riverside-Orange County Area, not to exceed 2.00%.

(10) Based on the Riverside Unified School District CFD No. 21, IA No. 2 Fiscal Year 2014-15 actual Special Tax rate of \$3,244.54 per unit for Tax Class 1 property. Assigned Special Tax rate is \$4,238.99 per unit for Tax Class 1 property. The Assigned Special Tax rate escalates annually by 2%.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates.

TABLE 41B
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 88-093
PARTICIPANT IN WRCOG HERO PACE PROGRAM
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥5,000 SF)
CFD NO. 21, IMPROVEMENT AREA NO. 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾ :		\$673,000	
NET ASSESSED VALUE ⁽¹⁾ :		\$666,000	
Unit Size ⁽²⁾ :	5,424 Square Feet		
Lot Size ⁽³⁾ :	39,640 Square Feet		
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 6,660.00	
Metropolitan Water District G.O. Bonds	0.00350	23.31	
Riverside Unified School District G.O. Bonds	0.05307	353.45	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>119.28</u>	
Total General Property Taxes and Overrides	1.07448%	\$ 7,156.04	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 4.02	
County Service Area 87 – Street Lights ⁽⁶⁾		58.62	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 NPDES ⁽⁸⁾		40.00	
Lighting & Landscaping Maintenance District No. 89-1-C Zone 26 ⁽⁹⁾		138.58	
WRCOG HERO Funded Fiscal Year 2013-14 ⁽¹⁰⁾		4,843.30	
Riverside Unified School District CFD No. 21, IA No. 1 ⁽¹¹⁾		<u>3,244.54</u>	<u>\$ 4,238.99</u>
Total Assessments and Parcel Charges		\$ 8,338.28	\$ 9,332.73
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 15,494.32</u>	 <u>\$ 16,488.77</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 2.30228%	 2.45004%

⁽¹⁾ Based on assessed values for unit with WRCOG HERO PACE assessment in CFD No. 21, IA No. 2 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on actual unit size.

⁽³⁾ Based on actual lot size.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$58.62 per parcel. The rate does not increase.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$40.00 per parcel. The rate does not increase.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$138.58 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles-Riverside-Orange County Area, not to exceed 2.00%.

⁽¹⁰⁾ Based on administrative expenses, principal and interest due on outstanding lien on March 1, 2015 and September 1, 2015.

⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 21, IA No. 2 Fiscal Year 2014-15 actual Special Tax rate of \$3,244.54 per unit for Tax Class 1 property. Assigned Special Tax rate is \$4,238.99 per unit for Tax Class 1 property. The Assigned Special Tax rate escalates annually by 2%.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates.

TABLE 41C
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA 88-093
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 2 (4,000-4,999 SF)
CFD NO. 21, IMPROVEMENT AREA NO. 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾		\$589,358	
Average Unit Size for Developed Property ⁽²⁾		4,769 Square Feet	
Average Lot Size for Developed Property ⁽³⁾		41,571 Square Feet	
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 5,893.58	
Metropolitan Water District G.O. Bonds	0.00350	20.63	
Riverside Unified School District G.O. Bonds	0.05307	312.77	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>105.55</u>	
Total General Property Taxes and Overrides	1.07448%	\$ 6,332.54	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 4.05	
County Service Area 87 - Street Lights ⁽⁶⁾		58.62	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 NPDES ⁽⁸⁾		40.00	
Lighting & Landscaping Maintenance District No. 89-1-C Zone 26 ⁽⁹⁾		138.58	
Riverside Unified School District CFD No. 10, Tax Zone B ⁽¹⁰⁾		<u>3,023.16</u>	<u>\$ 3,949.78</u>
Total Assessments and Parcel Charges		\$ 3,273.63	\$ 4,200.25
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 9,606.16</u>	 <u>\$ 10,532.78</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 1.62994%	 1.78716%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 30 Tax Class 2 units in CFD No. 21, IA No. 2, as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 30 Tax Class 2 units in CFD No. 21, IA No. 2.

⁽³⁾ Based on the average lot size for 30 Tax Class 2 units in CFD No. 21, IA No. 2.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$58.62 per parcel. The rate does not increase.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$40.00 per parcel. The rate does not increase.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$138.58 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles-Riverside-Orange County Area, not to exceed 2.00%.

⁽¹⁰⁾ Based on the Riverside Unified School District CFD No. 21, IA No. 2 Fiscal Year 2014-15 actual Special Tax rate of \$3,023.16 per unit for Tax Class 2 property. Assigned Special Tax rate is \$3,949.78 per unit for Tax Class 2 property. The Assigned Special Tax rate escalates annually by 2%.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in CFD No. 21 Improvement Area 2 for Fiscal Year 2009-10 through Fiscal Year 2013-14.

TABLE 42
SPECIAL TAX DELINQUENCY HISTORY
FISCAL YEARS 2009-10 THROUGH 2013-14
CFD NO. 21, IMPROVEMENT AREA NO. 2

<i>Fiscal Year</i>	<i>Total Amount Levied</i>	<i>Total Number of Parcels Levied</i>	<i>Total Delinquent Special Taxes at Fiscal Year End⁽¹⁾</i>	<i>Delinquency Rate at Fiscal Year End</i>	<i>Total Number of Parcels Delinquent as of 11/3/2014</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
2009-10	\$238,246	65	\$16,152	6.78%	0	\$ 0	0.00%
2010-11	214,422	65	13,445	6.27	0	0	0.00
2011-12	203,701	65	7,490	3.68	0	0	0.00
2012-13	193,516	65	9,143	4.72	0	0	0.00
2013-14	197,387	65	0	0.00	0	0	0.00

⁽¹⁾ Amount delinquent as of June 30 of the fiscal year in which special taxes were levied.
Source: David Taussig & Associates, Inc.

**INSERT AREA MAP FOR
CFD NO. 22
(MAP 1)**

**INSERT AREA MAP FOR
CFD NO. 22
(MAP 2)**

**INSERT AREA MAP FOR
CFD NO. 22
(MAP 3)**

**INSERT AREA MAP FOR
CFD NO. 22
(MAP 4)**

CFD NO. 22

Location and Description. CFD No. 22 was formed by the School District in February 2005 to finance various public improvements needed to develop property located within CFD No. 22. CFD No. 22 consists of four non-continuous parcels (totaling approximately 33 acres) located in the eastern portion of the City of Riverside: 1) Tract No. 32139 consisting of approximately 3.96 acres, 2) Tract No. 30741 consisting of approximately 7.79 acres, 3) Tract No. 32046 consisting of approximately 6.87 acres, and 4) Tract No. 31946 consisting of approximately 15.59 acres. CFD No. 22 includes 160 taxable parcels. CFD No. 22 is completely built out with 160 completed single family detached homes which have been conveyed to individual homeowners.

Assigned Special Taxes. The following table shows the Assigned Special Taxes and the actual Special Taxes that were levied on parcels of property in CFD No. 22 for Fiscal Year 2014-15 and the percentages of the total Special Tax levy. The final maturity of the CFD No. 22 Bonds is September 1, 2035.

**TABLE 43
FISCAL YEAR 2014-15 ASSIGNED AND ACTUAL SPECIAL TAXES
CFD NO. 22**

<i>Property Classification/ Tax Class⁽¹⁾</i>	<i>Number of Units/Acres</i>	<i>Fiscal Year 2014-15 Assigned Special Tax per Unit/Acre</i>	<i>Total Fiscal Year 2014-15 Assigned Special Tax</i>	<i>Fiscal Year 2014-15 Actual Special Tax per Unit/Acre</i>	<i>Fiscal Year 2014-15 Levy</i>	<i>Percent of Maximum Special Tax</i>
Developed Property						
Tax Class 1 (SFD > 3,200 SF)	28 Units	\$ 3,683.00	\$ 103,124.00	\$ 3,210.52	\$ 89,894.56	87.17%
Tax Class 2 (SFD 2,951 - 3,200 SF)	6 Units	3,460.00	20,760.00	3,016.12	18,096.72	87.17
Tax Class 3 (SFD 2,701 - 2,950 SF)	9 Units	3,259.00	29,331.00	2,840.92	25,568.28	87.17
Tax Class 4 (SFD 2,201 - 2,700 SF)	0 Units	3,020.00	0.00	0.00	0.00	NA
Tax Class 5 (SFD 1,951 - 2,200 SF)	23 Units	2,864.00	65,872.00	2,496.58	57,421.34	87.17
Tax Class 6 (SFD 1,701 - 1,950 SF)	45 Units	2,550.00	114,750.00	2,222.86	100,028.70	87.17
Tax Class 7 (SFD ≤ 1,700 SF)	49 Units	2,252.00	110,348.00	1,963.10	96,191.90	87.17
Total	160 Units	NA	\$ 444,185.00	NA	\$ 387,201.50	87.17%

⁽¹⁾ Classification pursuant to the Rate and Method of Apportionment.
Source: David Taussig & Associates, Inc.

For the complete text of the CFD No. 22 Rate and Method, see APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

Estimated Direct and Overlapping Indebtedness. Within the boundaries of CFD No. 22 are numerous overlapping local agencies providing public services. The only outstanding debt secured by a special tax or assessment on the parcels within CFD No. 22 is the Community Facilities District No. 22 of Riverside Unified School District 2006 Special Tax Bonds (the “Prior CFD No. 22 Bonds”). However, Table 44 below does not include the Prior CFD No. 22 Bonds and instead includes the \$4,220,000* aggregate principal amount of the Community Facilities District No. 22 of Riverside Unified School District, 2015 Special Tax Refunding Bonds (the “CFD No. 22 Bonds”) being issued to refund the Prior CFD No. 22 Bonds. In addition, there is \$501,623 outstanding principal amount of general obligation bonds allocable to CFD No. 22 based on the current assessed value of CFD No. 22 relative to the current assessed value within the boundaries of the applicable taxing jurisdiction issuing the general obligation bonds.

* Preliminary, subject to change.

**TABLE 44
DIRECT AND OVERLAPPING DEBT SUMMARY
AS OF SEPTEMBER 2, 2014
CFD NO. 22**

<i>Overlapping District</i>	<i>Actual Fiscal Year 2014-15 Total Levy</i>	<i>Amount of Levy on Parcels in District</i>	<i>Percent on Levy on Parcels in District</i>	<i>Total Debt Outstanding⁽¹⁾</i>	<i>District Share of Total Debt Outstanding</i>
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$25,619 ⁽²⁾	0.2410%	\$138,110,000	\$ 332,843
City of Riverside G.O. Bonds	1,444,251	3,022 ⁽²⁾	0.2092	13,395,000	28,028
Metropolitan Water District G.O. Bonds	100,066,262	1,690 ⁽²⁾	0.0017	132,275,000	2,233
Riverside City Community College G.O. Bonds	14,174,770	8,646 ⁽²⁾	0.0610	227,097,323 ⁽³⁾	<u>138,519</u>
				Estimated Share of Overlapping Debt Allocable to the District	\$ 501,623
				Plus the Series 2014 Refunding CFD No. 22 Bonds	<u>\$ 4,220,000*</u>
				Estimated Share of Direct and Overlapping Debt Allocable to the District	\$ 4,721,623*

* Preliminary, subject to change.

(1) As of September 2, 2014. Principal for City of Riverside GO Bonds and Community College Bonds is made on August 1 of each year. Principal for MWD GO Bonds is made on March 1 of each year. All other districts pay principal on September 1 of each year.

(2) Estimated Fiscal Year 2014-15 levy. Calculated by multiplying the Fiscal Year 2014-15 *ad valorem* rate by the Fiscal Year 2014-15 net assessed value.

(3) Includes 2014 GO Refunding Bonds, Series A & B, issued May 29, 2014.

Source: David Taussig & Associates, Inc.

Value-to-Lien Ratios. The total assessed values of all of the taxable property in CFD No. 22, as determined by the County Assessor for Fiscal Year 2014-15, is \$48,978,619. The direct and overlapping land secured special tax, assessment and general obligation bonded indebtedness within CFD No. 22 as of September 2, 2014 was approximately \$4,721,623*. The assessed value-to-lien ratio of the property within CFD No. 22, based on the Fiscal Year 2014-15 assessed values, the aggregate principal amount of the CFD No. 22 Bonds and the estimated direct and overlapping land secured special tax, and assessment and general obligation bonded indebtedness within CFD No. 22 is approximately 10.37-to-1*. The following table summarizes the assessed value-to-lien ratios within CFD No. 22 by owner.

* Preliminary, subject to change.

**TABLE 45
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS
CFD NO. 22**

<i>Owner⁽¹⁾</i>	<i>Fiscal Year 2014-15 CFD No. 22 Levy</i>	<i>Percent of Total Levy</i>	<i>Number of Parcels</i>	<i>CFD No. 22 Outstanding Bond Amount^{(2)*}</i>	<i>RUSD GO Outstanding Bond Amount⁽³⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽³⁾</i>	<i>MWD GO Outstanding Bond Amount⁽³⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽³⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁴⁾</i>	<i>Value- to-Lien Ratio*</i>
Individual Owners	\$ 387,202	100.00%	160	\$ 4,220,000	\$ 332,843	\$ 28,028	\$ 2,233	\$ 138,519	\$ 4,721,623	\$ 48,978,619	10.37

* Preliminary, subject to change.

(1) Based on ownership as of January 1, 2014 provided by the Riverside County Assessor.

(2) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(3) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(4) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Value-to-lien Ratios by Range. The following table summarizes the assessed value-to-lien ratios within CFD No. 22 by value-to-lien range.

**TABLE 46
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS BY RANGES
CFD NO. 22**

<i>Value-to-Lien Range</i>	<i>Number of Residential Units</i>	<i>Fiscal Year 2014-15 CFD No. 22 Levy</i>	<i>CFD No. 22 Outstanding Bond Amount^{(1)*}</i>	<i>Percent of Total CFD No. 22 Outstanding Bond Amount*</i>	<i>RUSD GO Outstanding Bond Amount⁽²⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽²⁾</i>	<i>MWD GO Outstanding Bond Amount⁽²⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽²⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽³⁾</i>	<i>Percent of Total Fiscal Year 2014-15 Assessed Value*</i>	<i>Value-to-Lien Ratio*</i>
0.00-4.99	0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.00%	NA
5.00-9.99	107	236,658	2,579,273	61.12	153,511	12,927	1,030	63,887	2,810,628	22,781,381	46.51	8.11
10.00-14.99	37	99,175	1,080,878	25.61	103,825	8,743	697	43,209	1,237,351	15,182,978	31.00	12.27
15.00-19.99	16	51,368	559,849	13.27	75,507	6,358	507	31,424	673,644	11,014,260	22.49	16.35
20.00 or Greater	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00</u>	<u>NA</u>
Total	160	\$ 387,202	\$ 4,220,000	100.00%	\$ 332,843	\$ 28,028	\$ 2,233	\$ 138,519	\$ 4,721,623	\$ 48,978,619	100.00%	10.37

* Preliminary, subject to change.

(1) Allocated based on share of Fiscal Year 2014-15 special tax levy.

(2) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(3) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Sample Tax Bill. The following tables show the projected total effective tax rate for sample residential parcels in CFD No. 22, based on the average square footage of the homes located on such parcels and other characteristics described in the tables.

TABLE 47A
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 09-000, 09-013, 09-024, 09-139
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 5 (1,951-2,200 SF)
CFD NO. 22

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
Average Unit Size for Developed Property ⁽²⁾			
Average Lot Size for Developed Property ⁽³⁾			
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,366.13	
Metropolitan Water District G.O. Bonds	0.00350	14.81	
City of Riverside G.O. Bonds	0.00626	8.28	
Riverside Unified School District G.O. Bonds	0.05307	125.57	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>42.38</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,557.17	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 2.03	
City of Riverside Lighting District ⁽⁸⁾		31.44	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 - Riverside Stormwater ⁽⁶⁾		6.80	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 22 ⁽¹¹⁾		<u>2,496.58</u>	<u>\$ 2,864.00</u>
Total Assessments and Parcel Charges		\$ 2,574.77	\$ 2,932.49
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 5,131.93</u>	<u>\$ 5,489.65</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		2.16892%	2.32010%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 23 Tax Class 5 units in CFD No. 22, as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 23 Tax Class 5 units in CFD No. 22.

⁽³⁾ Based on the average lot size for 23 Tax Class 5 units in CFD No. 22.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Parcels in CFD No. 22 receive either the Riverside Lighting District charge of \$31.44 per benefit unit for residential units (Tax Rate Areas 09-000, 09-013, 09-024) or \$27.60 per benefit unit for condominiums, apartments, and mobile homes (Tax Rate Area 09-139). For purposes of this analysis, the higher of the two charges is shown. The rate does not increase.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.

⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 22, Fiscal Year 2014-15 actual Special Tax rate of \$2,496.58 per unit for Tax Class 5 property. Assigned Special Tax rate is \$2,864.00 per unit for Tax Class 5 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 47B
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREA S 09,000, 09-013, 09-024, 09-139
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 7 (≤1,700 SF)
CFD NO. 22

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
\$204,035			
Average Unit Size for Developed Property ⁽²⁾			
1,610 Square Feet			
Average Lot Size for Developed Property ⁽³⁾			
3,085 Square Feet			
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,040.35	
Metropolitan Water District G.O. Bonds	0.00350	12.77	
City of Riverside G.O. Bonds	0.00626	7.14	
Riverside Unified School District G.O. Bonds	0.05307	108.28	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>36.54</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,205.08	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 1.59	
City of Riverside Lighting District ⁽⁸⁾		31.44	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 - Riverside Stormwater ⁽⁶⁾		6.80	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 22 ⁽¹¹⁾		<u>1,963.10</u>	<u>\$ 2,252.00</u>
Total Assessments and Parcel Charges		\$ 2,040.85	\$ 2,320.05
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 4,245.94</u>	<u>\$ 4,525.14</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		2.08099%	2.21783%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 49 Tax Class 7 units in CFD No. 22, as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 49 Tax Class 7 units in CFD No. 22.

⁽³⁾ Based on the average lot size for 49 Tax Class 7 units in CFD No. 22.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Parcels in CFD No. 22 receive either the Riverside Lighting District charge of \$31.44 per benefit unit for residential units (Tax Rate Areas 09-000, 09-013, 09-024) or \$27.60 per benefit unit for condominiums, apartments, and mobile homes (Tax Rate Area 09-139). For purposes of this analysis, the higher of the two charges is shown. The rates do not increase.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.

⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 22, Fiscal Year 2014-15 actual Special Tax rate of \$1,963.10 per unit for Tax Class 7 property. Assigned Special Tax rate is \$2,252.00 per unit for Tax Class 7 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in CFD No. 22 for Fiscal Year 2009-10 through Fiscal Year 2013-14.

TABLE 48
SPECIAL TAX DELINQUENCY HISTORY
FISCAL YEARS 2009-10 THROUGH 2013-14
CFD NO. 22

<i>Fiscal Year</i>	<i>Total Amount Levied</i>	<i>Total Number of Parcels Levied</i>	<i>Total Delinquent Special Taxes at Fiscal Year End⁽¹⁾</i>	<i>Delinquency Rate at Fiscal Year End</i>	<i>Total Number of Parcels Delinquent as of 11/3/2014</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
2009-10	\$433,081	160	\$20,292	4.69%	0	\$ 0	0.00%
2010-11	422,255	160	17,012	4.03	0	0	0.00
2011-12	401,142	160	2,303	0.57	0	0	0.00
2012-13	391,112	160	1,123	0.29	0	0	0.00
2013-14	387,202	160	982	0.25	0	0	0.00

⁽¹⁾ Amount delinquent as of June 30 of the fiscal year in which special taxes were levied.
Source: David Taussig & Associates, Inc.

**INSERT AREA MAP FOR
CFD NO. 24
(MAP 1)**

**INSERT AREA MAP FOR
CFD NO. 24
(MAP 2)**

**INSERT AREA MAP FOR
CFD NO. 24
(MAP 3)**

CFD NO. 24

Location and Description. CFD No. 24 was formed by the School District in September 2005 to finance various public improvements needed to develop property located within CFD No. 24. CFD No. 24 consists of three non-continuous parcels (totaling approximately 67 acres) located in the south-eastern portion of the City of Riverside: 1) Tract No. 31415 consisting of approximately 9.57 acres, 2) Tract No. 31801 consisting of approximately 17.35 acres, and 3) Lots 1 through 8 of Tract No. 32205 consisting of approximately 40.50 acres. CFD No. 24 includes 229 taxable parcels. CFD No. 24 is completely built out with 229 completed single family detached homes which have been conveyed to individual homeowners.

Assigned Special Taxes. The following table shows the Assigned Special Taxes and the actual Special Taxes that were levied on parcels of property in CFD No. 24 for Fiscal Year 2014-15 and the percentages of the total Special Tax levy. The final maturity of the CFD No. 24 Bonds is September 1, 2036.

**TABLE 49
FISCAL YEAR 2014-15 ASSIGNED AND ACTUAL SPECIAL TAXES
CFD NO. 24**

<i>Tax Rate Zone/ Property Classification/ Tax Class⁽¹⁾</i>	<i>Number of Units/Acres</i>	<i>Fiscal Year 2014-15 Assigned Special Tax per Unit/Acre⁽²⁾</i>	<i>Total Fiscal Year 2014-15 Assigned Special Tax</i>	<i>Fiscal Year 2014-15 Actual Special Tax per Unit/Acre</i>	<i>Fiscal Year 2014-15 Levy</i>	<i>Percent of Maximum Special Tax</i>
Tax Rate Zone 1						
Developed Property						
Tax Class 1 (SFD ≥ 1,600 SF)	26 Units	\$ 2,550.33	\$ 66,308.58	\$ 1,486.64	\$ 38,652.64	58.29%
Tax Class 2 (SFD 1,300 - 1,599 SF)	63 Units	2,331.63	146,892.69	1,359.16	85,627.08	58.29
Tax Class 3 (SFD < 1,300 SF)	<u>9 Units</u>	<u>2,185.82</u>	<u>19,672.38</u>	<u>1,274.16</u>	<u>11,467.44</u>	<u>58.29</u>
Subtotal - Tax Rate Zone 1	98 Units	NA	\$ 232,873.65	NA	\$ 135,747.16	58.29%
Tax Rate Zone 2						
Developed Property						
Tax Class 1 (SFD ≥ 2,001 SF)	36 Units	\$ 3,088.12	\$ 111,172.32	\$ 1,660.36	\$ 59,772.96	53.77%
Tax Class 2 (SFD 1,801 - 2,000 SF)	33 Units	2,933.95	96,820.35	1,577.48	52,056.84	53.77
Tax Class 3 (SFD 1,500 - 1,800 SF)	30 Units	2,702.10	81,063.00	1,452.82	43,584.60	53.77
Tax Class 4 (SFD < 1,500 SF)	<u>24 Units</u>	<u>2,547.94</u>	<u>61,150.56</u>	<u>1,369.94</u>	<u>32,878.56</u>	<u>53.77</u>
Subtotal - Tax Rate Zone 2	123 Units	NA	\$ 350,206.23	NA	\$ 188,292.96	53.77%
Tax Rate Zone 3						
Developed Property						
Tax Class 1 (SFD > 3,800 SF)	7 Units	\$ 5,149.65	\$ 36,047.55	\$ 2,602.12	\$ 18,214.84	50.53%
Tax Class 2 (SFD 3,000 - 3,800 SF)	0 Units	4,283.21	0.00	0.00	0.00	NA
Tax Class 3 (SFD < 3,000 SF)	<u>1 Units</u>	<u>3,453.82</u>	<u>3,453.82</u>	<u>1,745.22</u>	<u>1,745.22</u>	<u>50.53</u>
Subtotal - Tax Rate Zone 3	<u>8 Units</u>	<u>NA</u>	<u>\$ 39,501.37</u>	<u>NA</u>	<u>\$ 19,960.06</u>	<u>50.53%</u>
Total	229 Units	NA	\$ 622,581.25	NA	\$ 344,000.18	55.25%

⁽¹⁾ Classification pursuant to the Rate and Method of Apportionment.

⁽²⁾ The Assigned Special Tax rates increase by 2.00% per year.

Source: David Taussig & Associates, Inc.

For the complete text of the CFD No. 24 Rate and Method, see APPENDIX D — “RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS.”

Estimated Direct and Overlapping Indebtedness. Within the boundaries of CFD No. 24 are numerous overlapping local agencies providing public services. The only outstanding debt secured by a special tax or assessment on the parcels within CFD No. 24 is the Community Facilities District No. 24 of Riverside Unified School District 2006 Special Tax Bonds (the “Prior CFD No. 24 Bonds”). However, Table 50 below does not include the Prior CFD No. 24 Bonds and instead includes the \$4,950,000* aggregate principal amount of the Community Facilities District No. 24 of Riverside Unified School District, 2015 Special Tax Refunding Bonds (the “CFD No. 24 Bonds”) being issued to refund the Prior CFD No. 24 Bonds. In addition, there is \$582,648 outstanding principal amount of general obligation bonds allocable to CFD No. 24 based on the current assessed value of CFD No. 24 relative to the current assessed value within the boundaries of the applicable taxing jurisdiction issuing the general obligation bonds.

**TABLE 50
DIRECT AND OVERLAPPING DEBT SUMMARY
AS OF SEPTEMBER 2, 2014
CFD NO. 24**

<i>Tax Rate Zone/Overlapping District</i>	<i>Actual Fiscal Year 2014-15 Total Levy</i>	<i>Amount of Levy on Parcels in District</i>	<i>Percent on Levy on Parcels in District</i>	<i>Total Debt Outstanding⁽¹⁾</i>	<i>District Share of Total Debt Outstanding</i>
Tax Rate Zone 1					
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$ 10,658 ⁽²⁾	0.1003%	\$138,110,000	\$ 138,470
City of Riverside G.O. Bonds	1,444,251	1,257 ⁽²⁾	0.0870	13,395,000	11,660
Metropolitan Water District G.O. Bonds	100,066,262	703 ⁽²⁾	0.0007	132,275,000	929
Riverside City Community College G.O. Bonds	<u>14,174,770</u>	<u>3,597⁽²⁾</u>	<u>0.0254</u>	<u>227,097,323⁽³⁾</u>	<u>57,627</u>
Subtotal - Tax Rate Zone 1	<u>\$ 126,315,751</u>	<u>\$ 16,215</u>	<u>0.2134%</u>	<u>\$510,877,323</u>	<u>\$ 208,687</u>
Tax Rate Zone 2					
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$ 15,951 ⁽²⁾	0.1501%	\$138,110,000	\$ 207,236
City of Riverside G.O. Bonds	1,444,251	1,882 ⁽²⁾	0.1303	13,395,000	17,451
Metropolitan Water District G.O. Bonds	100,066,262	1,052 ⁽²⁾	0.0011	132,275,000	1,391
Riverside City Community College G.O. Bonds	<u>14,174,770</u>	<u>5,383⁽²⁾</u>	<u>0.0380</u>	<u>227,097,323⁽³⁾</u>	<u>86,245</u>
Subtotal - Tax Rate Zone 2	<u>\$ 126,315,751</u>	<u>\$ 24,268</u>	<u>0.3194%</u>	<u>\$510,877,323</u>	<u>\$ 312,323</u>
Tax Rate Zone 3					
Riverside Unified School District Series G.O. Bonds	\$ 10,630,468	\$ 3,148 ⁽²⁾	0.0296%	\$138,110,000	\$ 40,899
City of Riverside G.O. Bonds	1,444,251	371 ⁽²⁾	0.0257	13,395,000	3,444
Metropolitan Water District G.O. Bonds	100,066,262	208 ⁽²⁾	0.0002	132,275,000	274
Riverside City Community College G.O. Bonds	<u>14,174,770</u>	<u>1,062⁽²⁾</u>	<u>0.0075</u>	<u>227,097,323⁽³⁾</u>	<u>17,021</u>
Subtotal - Tax Rate Zone 3	<u>\$ 126,315,751</u>	<u>\$ 4,789</u>	<u>0.0630%</u>	<u>\$510,877,323</u>	<u>\$ 61,639</u>
Estimated Share of Overlapping Debt Allocable to the District					\$ 582,648
Series 2014 Refunding CFD No. 24 Bonds (Tax Rate Zone 1)					\$ 1,852,290 ⁽⁴⁾
Series 2014 Refunding CFD No. 24 Bonds (Tax Rate Zone 2)					2,792,790 ⁽⁴⁾
Series 2014 Refunding CFD No. 24 Bonds (Tax Rate Zone 3)					<u>304,920⁽⁴⁾</u>
Plus the Series 2014 Refunding CFD No. 24 Bonds (Total)					<u>\$ 4,950,000*</u>
Estimated Share of Direct and Overlapping Debt Allocable to the District					\$ 5,532,648*

* Preliminary, subject to change.

(1) As of September 2, 2014. Principal for City of Riverside GO Bonds and Community College Bonds is made on August 1 of each year. Principal for MWD GO Bonds is made on March 1 of each year. All other districts pay principal on September 1 of each year.

(2) Estimated Fiscal Year 2014-15 levy. Calculated by multiplying the Fiscal Year 2014-15 *ad valorem* rate by the Fiscal Year 2014-15 net assessed value.

(3) Includes 2014 GO Refunding Bonds, Series A & B, issued May 29, 2014.

(4) Allocations to each Tax Zone are based on the Rate and Method of Apportionment.

Source: David Taussig & Associates, Inc.

* Preliminary, subject to change.

Value-to-Lien Ratios. The total assessed values of all of the taxable property in CFD No. 24, as determined by the County Assessor for Fiscal Year 2014-15, is \$110,879,495. The direct and overlapping land secured special tax, assessment and general obligation bonded indebtedness within CFD No. 24 as of September 2, 2014 was approximately \$5,532,648*. The assessed value-to-lien ratio of the property within CFD No. 24, based on the Fiscal Year 2014-15 assessed values, the aggregate principal amount of the CFD No. 24 Bonds and the estimated direct and overlapping land secured special tax, and assessment and general obligation bonded indebtedness within CFD No. 24 is approximately 10.56-to-1*. The following table summarizes the assessed value-to-lien ratios within CFD No. 24 by tax zone and owner.

* Preliminary, subject to change.

**TABLE 51
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS
CFD NO. 24**

<i>Tax Rate Zone/Owner⁽¹⁾</i>	<i>Tax Zone Allocation⁽²⁾</i>	<i>Number of Parcels</i>	<i>CFD No. 24 Outstanding Bond Amount^{(4)*}</i>	<i>RUSD GO Outstanding Bond Amount⁽⁵⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽⁵⁾</i>	<i>MWD GO Outstanding Bond Amount⁽⁵⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽⁵⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽⁶⁾</i>	<i>Value-to-Lien Ratio*</i>
Tax Rate Zone 1										
California Baptist University	3.07% ⁽³⁾	8	\$ 151,846 ⁽³⁾	\$ 9,868	\$ 831	\$ 66	\$ 4,107	\$ 166,719	\$ 1,651,276	9.90
Individual Owners	<u>34.35⁽³⁾</u>	<u>90</u>	<u>1,700,444⁽³⁾</u>	<u>128,602</u>	<u>10,829</u>	<u>863</u>	<u>53,520</u>	<u>1,894,258</u>	<u>18,864,787</u>	<u>9.96</u>
	37.42%	98	\$ 1,852,290	\$ 138,470	\$ 11,660	929	\$ 57,627	\$ 2,060,977	\$ 20,516,063	9.95
Tax Rate Zone 2										
Regents of the University of California	2.64% ⁽³⁾	6	\$ 130,530 ⁽³⁾	\$ 0	\$ 0	\$ 0	\$ 0	\$ 130,530	\$ 1,673,380	12.82
Individual Owners	<u>53.78⁽³⁾</u>	<u>117</u>	<u>2,662,260⁽³⁾</u>	<u>207,236</u>	<u>17,451</u>	<u>1,391</u>	<u>86,245</u>	<u>2,974,583</u>	<u>30,259,844</u>	<u>10.17</u>
	56.42%	123	\$ 2,792,790	\$ 207,236	\$ 17,451	\$ 1,391	\$ 86,245	\$ 3,105,113	\$ 31,933,224	10.28
Tax Rate Zone 3										
Individual Owners	<u>6.16%</u>	<u>8</u>	<u>\$ 304,920</u>	<u>\$ 40,899</u>	<u>\$ 3,444</u>	<u>\$ 274</u>	<u>\$ 17,021</u>	<u>\$ 366,559</u>	<u>\$ 5,980,921</u>	<u>16.32</u>
Total	100.00%	229	\$ 4,950,000	\$ 386,606	\$ 32,555	\$ 2,594	\$ 160,893	\$ 5,532,648	\$ 58,430,208	10.56

* Preliminary, subject to change.

(1) Based on ownership as of January 1, 2014 provided by the Riverside County Assessor.

(2) Based on the Rate and Method of Apportionment.

(3) Allocation to property owners based on share of Fiscal Year 2014-15 special tax levy for Tax Zone 2.

(4) Allocations to each Tax Zone are based on the Rate and Method of Apportionment.

(5) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(6) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Value-to-lien Ratios by Range. The following table summarizes the assessed value-to-lien ratios within CFD No. 24 by value-to-lien range.

**TABLE 52
ESTIMATED ASSESSED VALUE-TO-LIEN RATIOS BY RANGES
CFD NO. 24**

<i>Value-to-Lien Range</i>	<i>Number of Residential Units</i>	<i>CFD No. 24 Outstanding Bond Amount^{(1)*}</i>	<i>Percent of Total CFD No. 24 Outstanding Bond Amount*</i>	<i>RUSD GO Outstanding Bond Amount⁽²⁾</i>	<i>City of Riverside GO Outstanding Bond Amount⁽²⁾</i>	<i>MWD GO Outstanding Bond Amount⁽²⁾</i>	<i>RCCD GO Outstanding Bond Amount⁽²⁾</i>	<i>Total Direct and Overlapping Debt*</i>	<i>Fiscal Year 2014-15 Assessed Value⁽³⁾</i>	<i>Percent of Total Fiscal Year 2014-15 Assessed Value*</i>	<i>Value-to-Lien Ratio*</i>
0.00-4.99	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.00%	NA
5.00-9.99	83	1,661,620	33.57	111,913	9,424	751	46,575	1,830,282	16,336,477	27.96	8.93
10.00-14.99	140	3,062,963	61.88	242,012	20,379	1,624	100,718	3,427,696	37,318,799	63.87	10.89
15.00-19.99	6	225,417	4.55	32,681	2,752	219	13,601	274,670	4,774,932	8.17	17.38
20.00 or Greater	<u>0</u>	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00</u>	<u>NA</u>
Total	229	\$ 4,950,000	100.00%	\$ 386,606	\$ 32,555	\$ 2,594	\$ 160,893	\$ 5,532,648	\$ 58,430,208	100.00%	10.56

* Preliminary, subject to change.

(1) Allocations to each Tax Zone are based on the Rate and Method of Apportionment. Allocation within each Tax Zone based on share of Fiscal Year 2014-15 special tax levy.

(2) Based on debt outstanding as of September 2, 2014. Allocated based on share of Fiscal Year 2014-15 levy.

(3) As of January 1, 2014 provided by the Riverside County Assessor. Assessed value is the sum of Land Value and Improvement Value.

Source: David Taussig & Associates, Inc.

Sample Tax Bill. The following tables show the projected total effective tax rate for sample residential parcels in CFD No. 24, based on the average square footage of the homes located on such parcels and other characteristics described in the tables.

TABLE 53A
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 09-002, 09-156
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥1,600 SF)
CFD NO. 24, TAX ZONE 1

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾		\$224,293	
Average Unit Size for Developed Property ⁽²⁾	1,693 Square Feet		
Average Lot Size for Developed Property ⁽³⁾	2,212 Square Feet		
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,242.93	
City of Riverside G.O. Bonds	0.00626	14.04	
Metropolitan Water District G.O. Bonds	0.00350	7.85	
Riverside Unified School District G.O. Bonds	0.05307	119.03	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>40.17</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,424.03	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 1.14	
City of Riverside Lighting District ⁽⁶⁾		27.60	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 - Riverside Stormwater ⁽⁸⁾		6.80	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 24 ⁽¹¹⁾		<u>1,486.64</u>	<u>\$ 2,550.33</u>
Total Assessments and Parcel Charges		\$ 1,560.10	\$ 2,614.09
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 3,984.13</u>	<u>\$ 5,038.12</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.77630%	2.24622%

⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 26 Tax Class 1 units in CFD No. 24, Tax Zone 1 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

⁽²⁾ Based on the average unit size for 26 Tax Class 1 units in CFD No. 24, Tax Zone 1.

⁽³⁾ Based on the average lot size for 26 Tax Class 1 units in CFD No. 24, Tax Zone 1.

⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.

⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$27.60 per benefit unit for condominiums, apartments, and mobile homes. The rate does not increase.

⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.

⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.

⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 24, Tax Zone 1 Fiscal Year 2014-15 actual Special Tax rate of \$1,486.64 per unit for Tax Class 1 property. Assigned Special Tax rate is \$2,550.33 per unit for Tax Class 1 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 53B
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 09-002, 09-156
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 2 (1,300-1,599 SF)
CFD NO. 24, TAX ZONE 1

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
\$212,908			
Average Unit Size for Developed Property ⁽²⁾	1,424 Square Feet		
Average Lot Size for Developed Property ⁽³⁾	2,088 Square Feet		
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,129.08	
City of Riverside G.O. Bonds	0.00626	13.33	
Metropolitan Water District G.O. Bonds	0.00350	7.45	
Riverside Unified School District G.O. Bonds	0.05307	112.99	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>38.13</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,300.98	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 1.08	
City of Riverside Lighting District ⁽⁶⁾		27.60	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 - Riverside Stormwater ⁽⁸⁾		6.80	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 24 ⁽¹¹⁾		<u>1,359.16</u>	<u>\$ 2,331.63</u>
Total Assessments and Parcel Charges		\$ 1,432.56	\$ 2,395.33
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 3,733.54</u>	 <u>\$ 4,696.31</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 1.75359%	 2.20579%

- ⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 63 Tax Class 2 units in CFD No. 24, Tax Zone 1 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- ⁽²⁾ Based on the average unit size for 63 Tax Class 2 units in CFD No. 24, Tax Zone 1.
- ⁽³⁾ Based on the average lot size for 63 Tax Class 2 units in CFD No. 24, Tax Zone 1.
- ⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.
- ⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- ⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$27.60 per benefit unit for condominiums, apartments, and mobile homes. The rate does not increase.
- ⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- ⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.
- ⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.
- ⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.
- ⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 24, Tax Zone 1 Fiscal Year 2014-15 actual Special Tax rate of \$1,359.16 per unit for Tax Class 2 property. Assigned Special Tax rate is \$2,331.63 per unit for Tax Class 2 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 53C
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 09-002, 09-156
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (≥2,001 SF)
CFD NO. 24, TAX ZONE 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
Average Unit Size for Developed Property ⁽²⁾	2,102 Square Feet		
Average Lot Size for Developed Property ⁽³⁾	4,126 Square Feet		
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,924.04	
City of Riverside G.O. Bonds	0.00626	18.20	
Metropolitan Water District G.O. Bonds	0.00350	10.23	
Riverside Unified School District G.O. Bonds	0.05307	155.18	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>52.37</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 3,160.13	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 2.13	
City of Riverside Lighting District ⁽⁶⁾		27.60	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 - Riverside Stormwater ⁽⁸⁾		6.80	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 24 ⁽¹¹⁾		<u>1,660.36</u>	<u>\$ 3,088.12</u>
Total Assessments and Parcel Charges		\$ 1,734.81	\$ 3,152.87
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 4,894.94</u>	<u>\$ 6,313.00</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.67403%	2.15900%

(1) Based on average net assessed value plus \$7,000 homeowner's exemption for 36 Tax Class 1 units in CFD No. 24, Tax Zone 2 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.

(2) Based on the average unit size for 36 Tax Class 1 units in CFD No. 24, Tax Zone 2.

(3) Based on the average lot size for 36 Tax Class 1 units in CFD No. 24, Tax Zone 2.

(4) Actual Fiscal Year 2014-15 *ad valorem* rates.

(5) Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.

(6) Based on the Fiscal Year 2014-15 rate of \$27.60 per benefit unit for condominiums, apartments, and mobile homes. The rate does not increase.

(7) Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.

(8) Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.

(9) Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.

(10) Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.

(11) Based on the Riverside Unified School District CFD No. 24, Tax Zone 1 Fiscal Year 2014-15 actual Special Tax rate of \$1,660.36 per unit for Tax Class 1 property. Assigned Special Tax rate is \$3,088.12 per unit for Tax Class 1 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 53D
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 09-002, 09-156
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 3 (1,500-1,800 SF)
CFD NO. 24, TAX ZONE 2

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
\$238,438			
Average Unit Size for Developed Property ⁽²⁾			
1,620 Square Feet			
Average Lot Size for Developed Property ⁽³⁾			
3,065 Square Feet			
 <i>AD VALOREM PROPERTY TAXES</i> ⁽⁴⁾			
Basic Levy	1.00000%	\$ 2,384.38	
City of Riverside G.O. Bonds	0.00626	14.93	
Metropolitan Water District G.O. Bonds	0.00350	8.35	
Riverside Unified School District G.O. Bonds	0.05307	126.54	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>42.70</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 2,576.89	
 <i>ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES</i>			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 1.58	
City of Riverside Lighting District ⁽⁶⁾		27.60	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 - Riverside Stormwater ⁽⁸⁾		6.80	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 24 ⁽¹¹⁾		<u>1,452.82</u>	<u>\$ 2,702.10</u>
Total Assessments and Parcel Charges		\$ 1,526.72	\$ 2,766.30
 PROJECTED TOTAL PROPERTY TAXES		 <u>\$ 4,103.62</u>	 <u>\$ 5,343.20</u>
 Projected Total Effective Tax Rate (as % of Assessed Value)		 1.72104%	 2.24092%

- (1) Based on average net assessed value plus \$7,000 homeowner's exemption for 28 parcels owned by individual owners in Tax Class 3 units in CFD No. 24, Tax Zone 2 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- (2) Based on the average unit size for 28 parcels owned by individual owners in Tax Class 3 units in CFD No. 24, Tax Zone 2.
- (3) Based on the average lot size for 28 parcels owned by individual owners in Tax Class 3 units in CFD No. 24, Tax Zone 2.
- (4) Actual Fiscal Year 2014-15 *ad valorem* rates.
- (5) Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- (6) Based on the Fiscal Year 2014-15 rate of \$27.60 per benefit unit for condominiums, apartments, and mobile homes. The rate does not increase.
- (7) Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- (8) Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.
- (9) Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.
- (10) Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.
- (11) Based on the Riverside Unified School District CFD No. 24, Tax Zone 1 Fiscal Year 2014-15 actual Special Tax rate of \$1,452.82 per unit for Tax Class 3 property. Assigned Special Tax rate is \$2,702.10 per unit for Tax Class 3 property. The Assigned Special Tax rate does not escalate.

Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

TABLE 53E
ESTIMATED FISCAL YEAR 2014-15 SAMPLE TAX BILL
TAX RATE AREAS 09-002, 09-156
SINGLE FAMILY RESIDENTIAL PROPERTY: TAX CLASS 1 (>3,800 SF)
CFD NO. 24, TAX ZONE 3

<i>Assessed Valuation and Property Taxes</i>	<i>Percent of Net AV</i>	<i>Expected Amount</i>	<i>Assigned Amount</i>
TOTAL ASSESSED VALUE ⁽¹⁾			
Average Unit Size for Developed Property ⁽²⁾ :			
Average Lot Size for Developed Property ⁽³⁾			
AD VALOREM PROPERTY TAXES⁽⁴⁾			
Basic Levy	1.00000%	\$ 7,784.76	
City of Riverside G.O. Bonds	0.00626	48.73	
Metropolitan Water District G.O. Bonds	0.00350	27.25	
Riverside Unified School District G.O. Bonds	0.05307	413.14	
Riverside City Community College G.O. Bonds	<u>0.01791</u>	<u>139.43</u>	
Total General Property Taxes and Overrides	1.08074%	\$ 8,413.30	
ASSESSMENTS, SPECIAL TAXES AND PARCEL CHARGES			
Flood Control Stormwater/Cleanwater ⁽⁵⁾		\$ 4.38	
City of Riverside Lighting District ⁽⁶⁾		27.60	
Metropolitan Water District West Standby Charge ⁽⁷⁾		9.22	
CSA 152 - Riverside Stormwater ⁽⁸⁾		6.80	
City of Riverside Library Services ⁽⁹⁾		19.00	
NW Mosquito & Vector-Riverside ⁽¹⁰⁾		9.70	
Riverside Unified School District CFD No. 24 ⁽¹¹⁾		<u>2,602.12</u>	<u>\$ 5,149.65</u>
Total Assessments and Parcel Charges		\$ 2,678.82	\$ 5,216.65
PROJECTED TOTAL PROPERTY TAXES		<u>\$ 11,092.12</u>	<u>\$ 13,629.95</u>
Projected Total Effective Tax Rate (as % of Assessed Value)		1.42485%	1.75085%

- ⁽¹⁾ Based on average net assessed value plus \$7,000 homeowner's exemption for 7 Tax Class 1 units in CFD No. 24, Tax Zone 3 as of January 1, 2014 provided by the Riverside County Assessor. Total Assessed Value used to determine the Total Effective Tax Rate.
- ⁽²⁾ Based on the average unit size for 7 Tax Class 1 units in CFD No. 24, Tax Zone 3.
- ⁽³⁾ Based on the average lot size for 7 Tax Class 1 units in CFD No. 24, Tax Zone 3.
- ⁽⁴⁾ Actual Fiscal Year 2014-15 *ad valorem* rates.
- ⁽⁵⁾ Based on the Fiscal Year 2014-15 rate of \$3.75 per benefit assessment unit (BAU). For small parcels (less than 1/6 acre), a BAU is equal to the total lot size in SF/7,260. For large parcels (1/6 acre to 2.5 acres), a BAU is equal to 1+(0.1*(total lot size in SF-7,260)/43,560). The rate does not increase.
- ⁽⁶⁾ Based on the Fiscal Year 2014-15 rate of \$27.60 per benefit unit for condominiums, apartments, and mobile homes. The rate does not increase.
- ⁽⁷⁾ Based on the Fiscal Year 2014-15 rate of \$9.22 per parcel or per acre, whichever is greater. The rate does not increase.
- ⁽⁸⁾ Based on the Fiscal Year 2014-15 rate of \$6.80 per benefit unit. The Fiscal Year 2015-16 rate will be \$8.40 per benefit unit and the Fiscal Year 2016-17 rate will be \$10.00 per benefit unit.
- ⁽⁹⁾ Based on the Fiscal Year 2014-15 rate of \$19.00 per parcel. The rate does not increase.
- ⁽¹⁰⁾ Based on the Fiscal Year 2014-15 rate of \$9.70 per parcel. Amount escalates annually by the change in Consumer Price Index for the Los Angeles Area, not to exceed 3.00%.
- ⁽¹¹⁾ Based on the Riverside Unified School District CFD No. 24, Tax Zone 1 Fiscal Year 2014-15 actual Special Tax rate of \$2,602.12 per unit for Tax Class 1 property. Assigned Special Tax rate is \$5,149.65 per unit for Tax Class 1 property. The Assigned Special Tax rate does not escalate.
- Source: David Taussig & Associates, Inc.; City of Riverside; Willdan Financial; Metropolitan Water District; Albert A. Webb Associates; SCI Consulting Group.

Delinquencies. The following table is a summary of Special Tax levies, collections and delinquency rates in CFD No. 24 for Fiscal Year 2009-10 through Fiscal Year 2013-14.

**TABLE 54
SPECIAL TAX DELINQUENCY HISTORY
FISCAL YEARS 2009-10 THROUGH 2013-14
CFD NO. 24**

<i>Fiscal Year</i>	<i>Total Amount Levied</i>	<i>Total Number of Parcels Levied⁽¹⁾</i>	<i>Total Delinquent Special Taxes at Fiscal Year End⁽²⁾</i>	<i>Delinquency Rate at Fiscal Year End</i>	<i>Total Number of Parcels Delinquent as of 11/3/2014</i>	<i>Delinquent Amount as of 11/3/2014</i>	<i>Delinquency Rate as of 11/3/2014</i>
2009-10	\$389,525	229	\$36,446	9.36%	0	\$ 0	0.00%
2010-11	370,050	229	13,028	3.52	1	744	0.20
2011-12	333,045	229	6,850	2.06	1	1,340	0.40
2012-13	328,699	229	6,942	2.11	0	0	0.00
2013-14	335,273	229	10,439	3.11	2	1,395	0.42

⁽¹⁾ Includes six parcels owned by the “Regents of University of California” for which special taxes are billed directly and payable to Riverside Unified School District.

⁽²⁾ Amount delinquent as of June 30 of the fiscal year in which special taxes were levied.

Source: David Taussig & Associates, Inc.

APPENDIX B
SUMMARY OF PRINCIPAL LEGAL DOCUMENTS

[TO COME FROM BOND COUNSEL]

APPENDIX C

SUPPLEMENTAL INFORMATION CONCERNING RIVERSIDE UNIFIED SCHOOL DISTRICT

The information and expressions of opinion set forth in this Appendix C have been obtained from sources believed to be reliable, but such information is not guaranteed as to accuracy or completeness. Statements contained in this Appendix C which involve estimates, forecasts, or matters of opinion, whether or not expressly so described in this Appendix C, are intended solely as such and are not to be construed as representations of facts. The information and expressions of opinion in this Appendix C are subject to change without notice, and neither delivery of this Official Statement nor any sale thereafter of the securities offered by this Official Statement shall under any circumstances create any implication that there has been no change in the affairs of the School District or in any other information contained in the Official Statement since the date of the Official Statement.

General

The City of Riverside (the “City”) is the county seat of the County of Riverside (the “County”) and is located in the western portion of the County about 60 miles east of downtown Los Angeles and approximately 90 miles north of San Diego. Within 20 miles of the City are the cities of San Bernardino, Loma Linda, Corona, Norco, Fontana, Ontario, Rialto, Colton, Moreno Valley and Redlands, among others. These cities and the City are located in the County and the County of San Bernardino and comprise the Riverside-San Bernardino-Ontario Metropolitan Statistical Area (the “MSA”). The MSA represents an important economic area of the State and of Southern California. It lies to the west and south respectively of the strategic San Geronimo and Cajon Passes, from which three transcontinental railroads and interstate highways converge to connect the Los Angeles area with the other areas of the nation. The City is situated in close proximity to the metropolitan centers of Los Angeles and Orange Counties.

The County and San Bernardino County cover 27,400 square miles, a land area larger than the State of Virginia. With a population of over 3.2 million, the area ranks as one of the largest MSAs in the United States. The County alone is larger than the State of New Jersey. The MSA, though small geographically in relation to the bi-county area, contains most of the two counties’ population.

Population

The following table offers population figures for the City, the County and the State for 2010 through 2014.

Area	2010	2011	2012	2013	2014
City of Riverside	302,597	306,069	309,409	312,035	314,034
County of Riverside	2,179,692	2,205,731	2,234,209	2,255,653	2,279,967
State of California	37,223,900	37,427,946	37,668,804	37,984,138	38,340,074

Source: *State of California, Department of Finance, E-4 Population Estimates for Cities, Counties and the State, 2011-2014 with 2010 Census Benchmark.* Sacramento, California, May 2014

State of California, Department of Finance, E-4 Population Estimates for Cities, Counties and State, 2001-2010, with 2000 & 2010 Census Counts. Sacramento, California, November 2012

Construction Activity

The following tables show building permit valuations and new housing units in the City and the County for 2009 through 2013.

CITY OF RIVERSIDE Building Permit Valuation and New Housing Units

	2009	2010	2011	2012	2013
Residential					
Single Family	\$ 15,420,400	\$ 27,882,400	\$ 8,676,183	\$ 48,826,193	\$ 18,687,048
Multi-Family	1,711,300	23,278,400	26,763,741	15,419,047	4,442,191
Alteration/Additions	<u>6,812,300</u>	<u>7,603,400</u>	<u>8,049,228</u>	<u>9,099,847</u>	<u>7,516,866</u>
Total	<u>\$ 23,944,000</u>	<u>\$ 58,764,200</u>	<u>\$ 43,489,152</u>	<u>\$ 73,345,087</u>	<u>\$ 30,646,105</u>
Non-Residential					
New Commercial	\$ 16,667,400	\$ 42,753,600	\$ 14,817,909	\$ 0	\$ 29,511,234
New Industry	0	0	0	1,541,485	1,638,334
Other ⁽¹⁾	7,370,900	9,051,800	17,708,403	44,862,444	24,871,078
Alteration/Additions	<u>21,845,000</u>	<u>35,463,300</u>	<u>57,824,225</u>	<u>6,602,663</u>	<u>59,540,378</u>
Total	<u>\$ 45,883,300</u>	<u>\$ 87,268,700</u>	<u>\$ 90,350,537</u>	<u>\$ 53,006,592</u>	<u>\$ 115,561,024</u>
Total All Industry	<u>\$ 69,827,300</u>	<u>\$ 146,032,900</u>	<u>\$ 133,839,689</u>	<u>\$ 126,351,679</u>	<u>\$ 146,207,129</u>
New Housing Units					
Single Family Units	56	107	43	193	70
Multi-Family Units	<u>23</u>	<u>266</u>	<u>236</u>	<u>168</u>	<u>51</u>
Total	<u>79</u>	<u>373</u>	<u>279</u>	<u>361</u>	<u>121</u>

⁽¹⁾ Includes churches and religious building, hospitals and institutional buildings, schools and educational buildings, residential garages, public works and utilities buildings and non-residential alterations and additions.

⁽²⁾ May not add up due to rounding.

Source: Construction Industry Research Board.

COUNTY OF RIVERSIDE
Building Permit Valuation and New Housing Units

	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>
<u>Residential</u>					
Single Family	\$ 892,790,000	\$ 914,057,400	\$ 647,070,800	\$ 904,156,201	\$ 1,138,738,066
Multi-Family	75,756,100	71,151,900	113,170,385	87,878,567	138,636,043
Alteration/Additions	<u>85,148,000</u>	<u>94,427,500</u>	<u>119,707,512</u>	<u>87,370,464</u>	<u>98,219,314</u>
Total	<u>\$1,053,694,100</u>	<u>\$ 1,079,636,800</u>	<u>\$ 879,948,697</u>	<u>\$ 1,079,405,232</u>	<u>\$ 1,375,593,423</u>
<u>Non-Residential</u>					
New Commercial	\$ 94,651,400	\$ 191,323,700	\$ 150,711,906	\$ 347,167,537	\$ 162,377,652
New Industry	12,277,600	6,685,500	10,000,000	26,432,539	141,184,434
Other ⁽¹⁾	107,332,100	98,104,600	101,340,709	112,731,771	116,935,986
Alteration/Additions	<u>162,557,500</u>	<u>243,265,500</u>	<u>297,356,408</u>	<u>171,263,206</u>	<u>369,502,364</u>
Total	<u>\$ 376,818,700</u>	<u>\$ 539,379,400</u>	<u>\$ 559,409,023</u>	<u>\$ 657,595,053</u>	<u>\$ 790,000,436</u>
<u>Total All Industry</u>	<u>\$1,430,516,000</u>	<u>\$ 1,619,019,000</u>	<u>\$ 1,439,357,720</u>	<u>\$ 1,737,000,285</u>	<u>\$ 2,165,593,859</u>
<u>New Housing Units</u>					
Single Family Units	3,431	4,031	2,659	3,720	4,716
Multi-Family Units	<u>759</u>	<u>526</u>	<u>1,061</u>	<u>909</u>	<u>1,427</u>
Total	<u>4,190</u>	<u>4,557</u>	<u>3,720</u>	<u>4,629</u>	<u>6,143</u>

⁽¹⁾ Includes churches and religious building, hospitals and institutional buildings, schools and educational buildings, residential garages, public works and utilities buildings and non-residential alterations and additions.

⁽²⁾ May not add up due to rounding.

Source: Construction Industry Research Board.

Employment

The following table sets forth the major employers located in the County in 2013.

LARGEST EMPLOYERS

<i>Rank</i>	<i>Name of Business</i>	<i>No. of Employees in Riverside County</i>	<i>Type of Business</i>
1	County of Riverside	20,808	County Government
2	March Air Reserve Base	8,500	Military Reserve Base
3	Stater Bros. Markets	6,900	Supermarkets
4	University of California, Riverside	5,514	University
5	Kaiser Permanente Riverside Medical Center	5,270	Hospital
6	Pechanga Resort & Casino	4,500	Casino & Resort
7	Corona Norco Unified School District	4,300	School District
8	Wal-Mart	4,068	Retailer
9	Riverside Unified School District	4,000	School District
10	Hemet Unified School District	3,572	School District
11	Moreno Valley Unified School District	3,345	School District
12	Morongo Casino, Resort & Spa	2,925	Casino & Resort
13	Temecula Valley Unified School District	2,600	School District
14	City of Riverside	2,500	City Government
15	Eisenhower Medical Center	2,480	Hospital
16	Lake Elsinore Unified School District	2,473	School District
17	Agua Caliente Band of Cahuilla Indians	2,402	Tribal Government/Casinos
18	Desert Sands Unified School District	2,366	School District
19	Palm Springs Unified School District	2,325	School District
20	Murrieta Valley Unified School District	2,044	School District
21	Jurupa Unified School District	2,025	School District
22	Abbot Vascular	2,000	Medical & Surgical Instruments Manufacturer
23	Riverside Community Hospital	1,943	Hospital
24	Riverside Community College District	1,880	Community College District
25	Riverside County Office of Education	1,700	Education

Source: Information gathered by Riverside County Economic Development Agency from employers listed websites and public records. 2013.

Employment and Industry

The following table represents the estimated Annual Average Labor Force and Industry Employment for the County for the period from 2009 through 2013.

COUNTY OF RIVERSIDE Industry Employment & Labor Force - by Annual Average March 2013 Benchmark

	2009	2010	2011	2012	2013
<u>Nonfarm Industries</u>					
<u>Goods Producing</u>					
Natural Resources and Mining	500	400	400	400	300
Construction	40,400	35,400	34,100	35,200	42,400
Manufacturing	<u>39,000</u>	<u>37,900</u>	<u>38,600</u>	<u>39,500</u>	<u>39,100</u>
Total Goods Producing	79,900	73,700	73,100	75,100	81,800
<u>Service Providing</u>					
Trade, Transportation and Utilities	117,200	117,000	121,500	122,800	128,300
Information	8,500	10,200	7,600	6,300	6,200
Financial Activities	20,700	19,300	18,600	19,300	20,000
Professional and Business Services	53,600	50,300	52,200	53,900	57,400
Educational and Health Services	68,300	67,800	70,700	76,100	83,000
Leisure and Hospitality	68,700	67,700	68,900	72,200	75,800
Other Services	18,100	18,300	18,800	19,200	20,000
Government	<u>109,300</u>	<u>109,200</u>	<u>114,200</u>	<u>112,100</u>	<u>111,200</u>
Total Service Providing	464,400	459,800	472,400	482,300	502,000
Total Nonfarm Industries⁽¹⁾	<u>544,300</u>	<u>533,400</u>	<u>545,500</u>	<u>558,200</u>	<u>583,800</u>
Total Farm Industry	<u>12,400</u>	<u>12,400</u>	<u>12,400</u>	<u>12,900</u>	<u>12,400</u>
Total, All Industries⁽²⁾	<u>556,700</u>	<u>545,800</u>	<u>557,900</u>	<u>570,700</u>	<u>596,200</u>

⁽¹⁾ Total of Goods Producing and Service Providing Industries.

⁽²⁾ Total of Nonfarm and Farm Industries.

Source: State of California Employment Development Department.

The following table summarizes the labor force, employment and unemployment figures for the years 2008 through 2013 for the City, the County, the State and the nation as a whole.

**CITY OF RIVERSIDE, COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA AND UNITED STATES
Average Annual Civilian Labor Force, Employment and Unemployment**

<i>Year and Area</i>	<i>Labor Force</i>	<i>Employment</i> ⁽¹⁾	<i>Unemployment</i> ⁽²⁾	<i>Unemployment Rate (%)</i> ⁽³⁾
2008				
City of Riverside	160,500	146,700	13,800	8.6%
Riverside County	912,900	835,200	77,800	8.5
California	18,207,300	16,893,900	1,313,500	7.2
United States ⁽⁴⁾	154,287,000	145,362,000	8,924,000	5.8
2009				
City of Riverside	161,300	139,500	21,800	13.5%
Riverside County	917,100	794,400	122,800	13.4
California	18,220,100	16,155,000	2,065,100	11.3
United States ⁽⁴⁾	154,142,000	139,877,000	14,265,000	9.3
2010				
City of Riverside	165,100	140,900	24,200	14.6%
Riverside County	939,500	803,300	136,200	14.5
California	18,336,300	16,068,400	2,267,900	12.4
United States ⁽⁴⁾	153,889,000	139,064,000	14,825,000	9.6
2011				
City of Riverside	165,300	142,400	22,900	13.9%
Riverside County	942,200	812,800	129,400	13.7
California	18,417,900	16,249,600	2,168,300	11.8
United States ⁽⁴⁾	153,617,000	139,869,000	13,747,000	8.9
2012				
City of Riverside	166,100	145,600	20,500	12.3%
Riverside County	950,600	935,200	115,400	12.1
California	18,519,000	16,589,700	1,929,300	10.4
United States ⁽⁴⁾	154,975,000	142,469,000	12,506,000	8.8
2013				
City of Riverside	167,600	150,300	17,400	10.4%
Riverside County	953,200	855,300	97,900	10.3
California	18,596,800	16,933,300	1,663,500	8.9
United States ⁽⁴⁾	155,389,000	143,929,000	11,460,000	7.4

(1) Includes persons involved in labor-management trade disputes.

(2) Includes all persons without jobs who are actively seeking work.

(3) The unemployment rate is computed from unrounded data; therefore, it may differ from rates computed from rounded figures in this table.

(4) Not strictly comparable with data for prior years.

Source: California Employment Development Department and U.S. Department of Labor, Bureau of Labor Statistics.

Personal Income

Personal Income is the income that is received by all persons from all sources. It is calculated as the sum of wage and salary disbursements, supplements to wages and salaries, proprietors' income with inventory valuation and capital consumption adjustments, rental income of persons with capital consumption adjustment,

personal dividend income, personal interest income, and personal current transfer receipts, less contributions for government social insurance.

The personal income of an area is the income that is received by, or on behalf of, all the individuals who live in the area; therefore, the estimates of personal income are presented by the place of residence of the income recipients.

PERSONAL INCOME
Riverside County
2003-2013
(Dollars in Thousands)

<i>Year</i>	<i>Riverside County</i>	<i>Annual Percent Change</i>
2003	\$47,545,905	8.3%
2004	51,506,970	8.3
2005	55,776,492	8.3
2006	60,993,887	9.35
2007	64,062,308	5.03
2008	64,995,060	1.5
2009	63,184,275	(2.8)
2010	65,107,626	3.0
2011	69,522,078	6.8
2012	72,015,057	3.6
2013	(1)	--

(1) County data not yet available.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

The following tables summarizes per capita personal income for Riverside County, California and the United States for 2003-2013. This measure of income is calculated as the personal income of the residents of the area divided by the resident population of the area.

PER CAPITA PERSONAL INCOME
Riverside County, State of California and the United States
2003-2013

<i>Year</i>	<i>Riverside County</i>	<i>California</i>	<i>United States</i>
2003	\$26,837	\$35,303	\$32,677
2004	27,743	37,156	34,300
2005	28,873	38,964	35,888
2006	30,309	41,623	38,127
2007	30,871	43,152	39,804
2008	30,808	43,608	40,873
2009	29,433	41,587	39,379
2010	29,563	42,282	40,144
2011	31,074	44,749	42,332
2012	31,742	47,505	44,200
2013	(1)	48,434	44,765

(1) County data not yet available.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Retail Sales

The table below presents the County's retail permits and transactions for the years 2005 through the second quarter of 2013.

COUNTY OF RIVERSIDE Taxable Transactions For Years 2008 through 2013 (in Thousands)

	<i>Retail Permits</i>	<i>Retail Stores Taxable Transactions</i>	<i>Total Permits</i>	<i>Total Outlets Taxable Transactions</i>
2008	23,604	\$18,689,249	46,272	\$26,003,595
2009	29,829	16,057,488	42,765	22,227,877
2010	32,534	16,919,500	45,688	23,152,780
2011	33,398	18,576,285	46,886	25,641,497
2012	34,683	20,016,668	48,316	28,096,009
2013 ⁽¹⁾	33,391	\$10,515,764	46,805	14,760,926

⁽¹⁾ Second Quarter only.

Source: California State Board of Equalization.

The table below presents the City's retail permits and transactions for the years 2005 through the first quarter of 2010.

CITY OF RIVERSIDE Taxable Transactions For Years 2008 through 2013 (in Thousands)

	<i>Retail Permits</i>	<i>Retail Stores Taxable Transactions</i>	<i>Total Permits</i>	<i>Total Outlets Taxable Transactions</i>
2008	3,889	3,209,083	7,578	4,093,218
2009	5,033	2,734,550	7,202	3,500,514
2010	5,690	2,889,292	7,907	3,692,302
2011	5,764	3,144,537	8,066	4,019,127
2012	6,196	3,348,220	8,484	4,238,975
2013 ⁽¹⁾	5,436	\$1,733,883	7,673	\$2,218,850

⁽¹⁾ Second Quarter only.

Source: California State Board of Equalization.

APPENDIX D

**RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES
FOR THE TAXING JURISDICTIONS**

APPENDIX D

RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR THE TAXING JURISDICTIONS

RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 10 OF RIVERSIDE UNIFIED SCHOOL DISTRICT

Special Taxes (defined below) shall be levied on all Parcels (defined below) located within the boundaries of Community Facilities District No. 10 of Riverside Unified School District (hereinafter "CFD No. 10"). The amount of Special Tax to be levied on a Parcel in any Fiscal Year (defined below) shall be determined by the Board of Education of Riverside Unified School District (hereinafter the "Board" and the "District"), in accordance with the rates and method of apportionment of the Special Taxes described below. All of the property in CFD No. 10, unless exempted by law or Section E below, shall be taxed for the purposes, to the extent, and in the manner provided herein.

A. DEFINITIONS

"Act" means the Mello-Roos Community Facilities Act of 1982, being Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of CFD No. 10: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the District, CFD No. 10, or an agent thereof); the costs of collecting the Special Taxes (whether by the District or otherwise); the costs of remitting the Special Taxes to the trustee or fiscal agent for the Bonds; the costs of the trustee or fiscal agent (including its legal counsel) in the discharge of the duties required of it under the indenture or fiscal agent agreement for the Bonds; the costs to the District, CFD No. 10 or any agent thereof of complying with arbitrage rebate requirements; the costs to the District, CFD No. 10 or any agent thereof of complying with District, CFD No. 10 or obligated persons disclosure requirements associated with applicable federal and state securities laws and of the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the District, CFD No. 10 or any agent thereof related to an appeal of the Special Tax; the costs associated with the release of funds from an escrow account; and the District's annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the District or CFD No. 10 for any other administrative purposes of CFD No. 10, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

"Alternate Special Tax for Tax Rate Zone A" means (a) the amount of \$1,591 per Parcel if the number of residential lots in the Final Map(s) for Tax Rate Zone A is greater than or equal to 77 or (b) an amount per residential lot determined by dividing \$122,507 by the number of residential lots in the Final Map(s) for Tax Rate Zone A, as increased as provided in the next sentence, which may be levied on Parcels in CFD No. 10. The amount of the Alternate Special Tax for Tax Rate Zone A shall be increased by two percent (2%) over the amount in effect for the previous Fiscal Year on July 1 of each year, commencing on July 1, 2003.

"Alternate Special Tax for Tax Rate Zone B" means (a) the amount of \$816 per Parcel if the number of residential lots in the Final Map(s) for Tax Rate Zone B is greater than or equal to 34 or (b) an amount per residential lot determined by dividing \$28,283 by the number of residential lots in the Final Map(s) for Tax Rate Zone B, as increased as provided in the next sentence, which may be levied on Parcels in CFD No. 10. The amount of the Alternate Special Tax for Tax Rate Zone B shall

be increased by two percent (2%) over the amount in effect for the previous Fiscal Year on July 1 of each year, commencing on July 1, 2003.

“Assessor’s Parcel Map” means an official map of the Assessor of the County of Riverside designating Parcels by Assessor’s Parcel Number.

“Assigned Special Tax Rate for Tax Rate Zone A” means the applicable Assigned Special Tax Rate per Parcel specified in Table 1 in Section C below.

“Assigned Special Tax Rate for Tax Rate Zone B” means the applicable Assigned Special Tax Rate per Parcel specified in Table 2 in Section C below.

“Bonds” means any bonds or other debt (as defined in Section 53317(d) of the Act), whether in one or more series, issued or incurred by CFD No. 10 under the Act.

“Developed Property” means for any Fiscal Year all Taxable Property, exclusive of property owned by a public agency and a property owner association that is not exempt pursuant to Section E, for which a building permit was issued as of March 1 of the prior Fiscal Year.

“Dwelling Unit” means any structure including, but not limited to apartments, condominiums, townhouses, or single-family detached houses, offered for rent or for sale for which a building permit was issued as of March 1 of the prior Fiscal Year.

“Exempt Property” means any Parcel or other property within CFD No. 10 as described in Section E that is exempt from the levy of Special Taxes.

“Final Map” means a subdivision of property by recordation of a final subdivision map, parcel map, or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 1352 that creates individual lots for which building permits may be issued without further subdivision.

“Fiscal Year” means the twelve month period starting on July 1 of any calendar year and ending the following June 30.

“Land Use Category” means any of the categories listed in Table 1 or Table 2, as applicable.

“Maximum Special Tax” means (i) for a Parcel in Tax Rate Zone A the greater of the applicable Assigned Special Tax Rate for Tax Rate Zone A or the Alternate Special Tax for Tax Rate Zone A or (ii) for a Parcel in Tax Rate Zone B the greater of the applicable Assigned Special Tax Rate for Tax Rate Zone B or the Alternate Special Tax for Tax Rate Zone B.

“Net Taxable Acre or Acreage” means that acreage shown on the Assessor’s Parcel Map for each Parcel, exclusive of property exempt from the Special Tax pursuant to the Act or Section E below. In the event that the Assessor’s Parcel Map shows no acreage for a Parcel, the Net Acreage for the Parcel shall be as shown on or determined from the recorded final subdivision map, parcel map, or functionally equivalent map or instrument for the Parcel.

“Non-Residential Property” means all parcels of Developed Property for which a building permit has been issued for the construction of a building that is not a Dwelling Unit.

“Parcel” means a lot or parcel shown on an Assessor’s Parcel Map with an assigned Assessor’s Parcel Number as of the date of the levy of the Special Taxes for each Fiscal Year.

“Proportionately” means for Developed Property that the ratio of the actual Special Tax levy to the Assigned Special Tax is the same for all Assessors’ Parcels of Developed Property. For Undeveloped Property, “Proportionately” means that the ratio of the actual Special Tax levy per acre to the Maximum Special Tax per acre is the same for all Assessor’s Parcels of Undeveloped Property.

“Reserve Fund Allocation for Tax Rate Zone A” means 81.6 percent of the reserve fund established in association with the outstanding Bonds.

“Reserve Fund Allocation for Tax Rate Zone B” means 18.4 percent of the reserve fund established in association with the outstanding Bonds.

“Residential Floor Space” means the square footage of a Dwelling Unit, exclusive of garages, as shown on or calculated from the appropriate building records of the City of Riverside or the County of Riverside, as applicable.

“Residential Property” means all Parcels of Developed Property for which a building permit has been issued for purposes of constructing a Dwelling Unit.

“Special Tax Requirement for Tax Rate Zone A” means the amount required in any Fiscal Year to pay (i) 81.6 percent of the debt service on all outstanding Bonds, (ii) the portion of Administrative Expenses allocable to Tax Rate Zone A, and (iii) any amounts required, to the extent permitted by the Maximum Special Tax for all Parcels of Developed and Undeveloped Property in Tax Rate Zone A, to create, maintain, or replenish the Reserve Fund Allocation for Tax Rate Zone A.

“Special Tax Requirement for Tax Rate Zone B” means the amount required in any Fiscal Year to pay (i) 18.4 percent of the debt service on all outstanding Bonds, (ii) the portion of Administrative Expenses allocable to with Tax Rate Zone B, and (iii) any amounts required, to the extent permitted by the Maximum Special Tax for all Parcels of Developed and Undeveloped Property in Tax Rate Zone B, to create, maintain, or replenish the Reserve Fund Allocation for Tax Rate Zone B.

“Special Taxes” means the Special Taxes to be levied in each Fiscal Year on all Parcels of Developed and Undeveloped Property to fund the Special Tax Requirement.

“Square Feet or Square Footage” means that product derived by multiplying Net Taxable Acreage of a Parcel by 43,560.

“Taxable Property” means all Parcels that are not Exempt Property.

“Tax Rate Zone A” means all Parcels included in the area identified as Tax Rate Zone A on the current official boundary map for CFD No. 10 and which are located in Tract No. 30028.

“Tax Rate Zone B” means all Parcels included in the area identified as Tax Rate Zone B on the current official boundary map for CFD No. 10 and which are located in Tract No. 29170 or Tract No. 29768.

“Undeveloped Property” means all Parcels in CFD No. 10 which are not classified as Developed Property or Exempt Property.

B. ASSIGNMENT TO LAND USE CATEGORIES

For each Fiscal Year (commencing with the 2003-2004 Fiscal Year), all Parcels within CFD No. 10 shall be classified as Developed Property, Undeveloped Property, or Exempt Property, and shall be subject to the levy of Special Taxes in accordance with the rates and methods of apportionment of the

Special Taxes as set forth in Sections C and D below. Each Parcel of Residential Property in Tax Rate Zone A shall also be assigned to Land Use Category 1, 2, 3 or 4 as specified in Table 1 below based upon the Residential Floor Space to be constructed on a Parcel as set forth on the most recent building permit issued for such Parcel, and Parcels of Non-Residential Property shall be assigned to Land Use Category 5 in Table 1. Each Parcel of Residential Property in Tax Rate Zone B shall also be assigned to Land Use Category 1, 2 or 3 as specified in Table 2 below based upon the Residential Floor Space to be constructed on a Parcel as set forth on the most recent building permit issued for such Parcel, and Parcels of Non-Residential Property shall be assigned to Land Use Category 4 in Table 2.

C. MAXIMUM SPECIAL TAX RATES

1. Tax Rate Zone A

a. Developed Property

The Maximum Special Tax for each Parcel of Developed Property in Tax Rate Zone A shall be the greater of (i) the applicable Assigned Special Tax Rate specified in Table 1 below, or (ii) the Alternate Special Tax for Tax Rate Zone A.

**Table 1
Assigned Special Tax Rates for Tax Rate Zone A
Community Facilities District No. 10
Fiscal Year 2002-2003**

Land Use Category	Description	Residential Floor Space	Assigned Special Tax
1	Residential Property	2,090 sq. ft. or more	\$1,653 per Dwelling Unit
2	Residential Property	1,950-2,089 sq. ft.	\$1,629 per Dwelling Unit
3	Residential Property	1,800-1,949 sq. ft.	\$1,558 per Dwelling Unit
4	Residential Property	1,799 sq. ft. or less.	\$1,470 per Dwelling Unit
5	Non-Residential Property	N/A	\$11,296 per Net Taxable Acre

b. Undeveloped Property

The Assigned Special Tax Rate for each Parcel of Undeveloped Property in Tax Rate Zone A shall be \$11,296 per Net Taxable Acre.

c. Increase in the Maximum Special Tax

For the Fiscal Year commencing July 1, 2003 and the Fiscal Year commencing on each July 1, thereafter, the Assigned Special Tax Rates and the Alternate Special Tax for Parcels of Developed Property and Undeveloped Property in Tax Rate Zone A shall be increased by two percent (2%) over the amount in effect for the previous Fiscal Year.

2. Tax Rate Zone B

a. Developed Property

The Maximum Special Tax for each Parcel of Developed Property in Tax Rate Zone B shall be the greater of (i) the applicable Assigned Special Tax Rate specified in Table 2 below, or (ii) the Alternate Special Tax for Tax Rate Zone B.

Table 2
Assigned Special Tax Rates for Tax Rate Zone B
Community Facilities District No. 10
Fiscal Year 2002-2003

Land Use Category	Description	Residential Floor Space	Assigned Special Tax
1	Residential Property	2,350 sq. ft. or more	\$917 per Dwelling Unit
2	Residential Property	1,900-2,349 sq. ft.	\$807 per Dwelling Unit
3	Residential Property	1,899 sq. ft. or less	\$770 per Dwelling Unit
4	Non-Residential Property	N/A	\$2,000 per Net Taxable Acre

b. Undeveloped Property

The Assigned Special Tax Rate for each Parcel of Undeveloped Property in Tax Rate Zone B shall be \$2,000 per Net Taxable Acre.

c. Increase in the Maximum Special Tax

For the Fiscal Year commencing July 1, 2003 and the Fiscal Year commencing on each July 1, thereafter, the Assigned Special Tax Rates and the Alternate Special Tax for Parcels of Developed Property and Undeveloped Property in Tax Rate Zone B shall be increased by two percent (2%) over the amount in effect for the previous Fiscal Year.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

1. Tax Rate Zone A

Starting in Fiscal Year 2003-2004 and for each subsequent Fiscal Year, the Board shall determine the Special Tax Requirement for Tax Rate Zone A.

Step 1: The Special Tax shall be levied on all Parcels of Developed Property in Tax Rate Zone A at 100 percent of the Assigned Special Tax Rate. However, if the amount of the Special Taxes so levied exceeds the Special Tax Requirement for Tax Rate Zone A, the levy of the Special Taxes on all Parcels of Developed Property in Tax Rate Zone A shall be Proportionately decreased until the revenues produced thereby will be equal to the Special Tax Requirement for Tax Rate Zone A.

Step 2: If the revenues that would be produced by levying the Special Taxes pursuant to Step 1 are less than the Special Tax Requirement for Tax Rate Zone A, the Special Taxes shall be levied Proportionately on all Parcels of Undeveloped Property in Tax Rate Zone A, up to 100 percent of the Maximum Special Tax.

Step 3: If the revenues that would be produced by levying the Special Taxes pursuant to Steps 1 and 2 are less than the Special Tax Requirement for Tax Rate Zone A, the Special Taxes shall be levied Proportionately on all Parcels of Developed Property in Tax Rate Zone A up to 100 percent of the Alternate Special Tax, so that the revenues produced by Steps 1 and 2 and this Step 3 will be equal to the Special Tax Requirement for Tax Rate Zone A.

2. Tax Rate Zone B

Starting in Fiscal Year 2003-2004 and for each subsequent Fiscal Year, the Board shall determine the Special Tax Requirement for Tax Rate Zone B.

Step 1: The Special Tax shall be levied on all Parcels of Developed Property in Tax Rate Zone B at 100 percent of the Assigned Special Tax Rate. However, if the amount of the Special Taxes so levied exceeds the Special Tax Requirement for Tax Rate Zone B, the levy of the Special Taxes on all Parcels of Developed Property in Tax Rate Zone B shall be Proportionately decreased until the revenues produced thereby will be equal to the Special Tax Requirement for Tax Rate Zone B.

Step 2: If the revenues that would be produced by levying the Special Taxes pursuant to Step 1 are less than the Special Tax Requirement for Tax Rate Zone B, the Special Taxes shall be levied Proportionately on all Parcels of Undeveloped Property in Tax Rate Zone B, up to 100 percent of the Maximum Special Tax.

Step 3: If the revenues that would be produced by levying the Special Taxes pursuant to Steps 1 and 2 are less than the Special Tax Requirement for Tax Rate Zone B, the Special Taxes shall be levied Proportionately on all Parcels of Developed Property in Tax Rate Zone B up to 100 percent of the Alternate Special Tax, so that the revenues produced by Steps 1 and 2 and this Step 3 will be equal to the Special Tax Requirement for Tax Rate Zone B.

E. EXEMPTIONS

The Board shall not levy Special Taxes on:

- Up to 5.6 acres of public streets in Tax Rate Zone A,
- Up to 2.0 acres of public streets in Tax Rate Zone B, and
- Any Parcel for which the obligation to pay the Special Taxes has been prepaid pursuant to Section G below.

Notwithstanding the preceding provisions of this Section E, Parcels or portions of Parcels conveyed or irrevocably offered for dedication to federal, state or local governments after formation of CFD No. 10, and not otherwise exempt pursuant to this Section E, shall be subject to the Special Tax pursuant to Section 53317.3 or 53317.5 of the Act and classified as Undeveloped Property. Such Parcels may be exempted, at the direction of the Board, if the Special Tax to be derived therefrom in any Fiscal Year is not needed to meet the Special Tax Requirements under Section D above.

F. MANNER OF COLLECTION

The Special Taxes in CFD No. 10, will be collected in the same manner and at the same time as ordinary ad valorem property taxes; provided, however, that prepayments are permitted as set forth in Section G below; and provided further that the District may directly bill all or part of the Special Taxes, and may collect the Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of CFD No. 10. Furthermore, the Board may authorize the collection of delinquent Special Taxes by judicial foreclosure proceedings pursuant to Section 53356.1 of the Act.

G. PREPAYMENT AND SATISFACTION OF SPECIAL TAX OBLIGATION

The Special Tax obligation of a Parcel of Developed Property or Undeveloped Property may be prepaid. The prepayment amount for a Parcel will be equal to the amount derived by applying the following formula:

$$P_E = PVT + UPS + RP - RFC + AFE$$

The elements of this formula are described as follows and defined below:

- PVT = Present Value of Special Taxes
- UPS = Unpaid Special Taxes
- RP = Redemption Premium
- RFC = Reserve Fund Credit
- AFE = Administrative Fees and Expenses

“Administrative Fees and Expenses” means administrative fees and expenses of the District and CFD No. 10 including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the costs of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption of Bonds.

“Present Value of Special Taxes” means the sum of the present value of the Maximum Special Tax applicable to the Parcel for each remaining tax period or Fiscal Year for which the Special Taxes have not been levied until the final maturity of the Bonds, using the yield on the Bonds as the discount rate. For purposes of this calculation, yield means the remaining effective yield on the Bonds to be redeemed as a result of the prepayment.

“Redemption Premium” means the product derived by multiplying the Present Value of Special Taxes by the applicable redemption premium on the Bonds to be redeemed.

“Reserve Fund Credit” means the amount of the reduction in the reserve requirement for the outstanding Bonds, resulting from the prepayment, based on the Reserve Fund Allocation for Tax Rate Zone A or the Reserve Fund Allocation for Tax Rate Zone B, as applicable; provided, however, that the amount of such reduction shall not result in the amount on deposit in the reserve fund being less than the reserve requirement for the outstanding Bonds after the defeasance and/or redemption of outstanding Bonds with the prepayment.

“Unpaid Special Taxes” means all unpaid Special Taxes levied prior to the prepayment plus any applicable penalties.

H. TERM OF SPECIAL TAX

For each year that any Bonds are outstanding the Special Tax shall be levied on all Parcels subject to the Special Tax. No Special Tax shall be levied on any Parcel of Residential Property after the 2035-2036 Fiscal Year.

I. RELIEF FROM ALTERNATIVE SPECIAL TAX

All Parcels within Tax Rate Zone A or Tax Rate Zone B will be relieved simultaneously and permanently from the obligation to pay and disclose the Alternate Special Tax if the Board determines that the total amount of the Special Taxes which could be levied in any remaining Fiscal Year on all Parcels in such zone which are Developed Property based on the Assigned Special Tax Rates for such Parcels would be equal to at least 110 percent of maximum annual debt service plus estimated annual

administrative expenses in any such Fiscal Year with respect to the portion of the outstanding Bonds which is allocable to such zone.

**RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR
COMMUNITY FACILITIES DISTRICT NO. 13 OF
RIVERSIDE UNIFIED SCHOOL**

Special Taxes (defined below) shall be levied on all Parcels (defined below) located within the boundaries of Improvement Area No. 1 and Improvement Area 2 No. 2 (defined below) of Community Facilities District No. 13 of Riverside Unified School District (hereinafter “CFD No. 13”). The amount of Special Tax to be levied on a Parcel in any Fiscal Year (defined below) shall be determined by the Board of Education of Riverside Unified School District (hereinafter the “Board” and the “District”), in accordance with the rates and method of apportionment of the Special Taxes described below. All of the property in CFD No. 13, unless exempted by law or Section E below, shall be taxed for the purposes, to the extent, and in the manner provided herein.

A. DEFINITIONS

“**Act**” means the Mello-Roos Community Facilities Act of 1982, being Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California.

“**Alternate Special Tax**” means the applicable alternate special tax for a Parcel as calculated pursuant to Section C.1.c. or Section C.2.c. below, as applicable.

“**Assessor’s Parcel Map**” means an official map of the Assessor of the County of Riverside designating Parcels by assessor’s parcel number.

“**Assigned Special Tax Rate**” means the applicable assigned special tax rate for a Parcel specified in Table 1 or Table 2 in Section C below, as applicable.

“**Bonds**” means the bonds of CFD No. 13, which are issued for IA No. 1 or IA No. 2.

“**Developed Property**” means for any Fiscal Year all Taxable Property, exclusive of Provisional Undeveloped Property, for which a building permit was issued as of May 1 of the prior Fiscal Year.

“**Dwelling Unit**” means any residential structure including, but not limited to apartments, condominiums, townhouses, or single-family detached houses, offered for rent or for sale for which a building permit was issued as of May 1 of the prior Fiscal Year.

“**Exempt Property**” means any Parcel within either IA No. 1 or IA No. 2 that is exempt from the levy of Special Taxes pursuant to Section E.

“**Final Map**” means a subdivision of property by recordation of a final map, parcel map, or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code Section 1352 that creates individual lots for which building permits may be issued without further subdivision.

“**Fiscal Year**” means the twelve month period starting on July 1 of any calendar year and ending the following June 30.

“**Improvement Area No. 1**” or “**IA No. 1**” means all Parcels included in the area identified as Improvement Area No. 1 on the recorded boundary map for CFD No. 13.

“**Improvement Area No. 2**” or “**IA No. 2**” means all Parcels included in the area identified as Improvement Area No. 2 on the recorded boundary map for CFD No. 13.

“Indenture” means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

“Maximum Special Tax” means the maximum Special Tax, determined in accordance with Section C that can be levied by the Board in any Fiscal Year on any Parcel.

“Net Taxable Acre or Acreage” means that acreage shown on the Assessor’s Parcel Map for each Parcel, exclusive of property exempt from the Special Tax pursuant to the Act or Section E below. In the event that the Assessor’s Parcel Map shows no acreage for a Parcel, the Net Taxable Acreage for the Parcel shall be as shown on or determined from the recorded final subdivision map, parcel map, or functionally equivalent map or instrument for the Parcel.

“Non-Residential Property” means all Parcels of Developed Property for which a building permit has been issued for the construction of a building that is not a Dwelling Unit.

“Parcel” means a lot or parcel shown on an Assessor’s Parcel Map with an assigned assessor’s parcel number as of the date of the levy of the Special Taxes for each Fiscal Year.

“Provisional Undeveloped Property” means all Parcels of Taxable Property that would be classified as Exempt Property pursuant to the provisions of Section E but which cannot be classified as Exempt Property because to do so would exceed the acreage of Exempt Property set forth in Section E. A Parcel which is classified as Provisional Undeveloped Property may be re-classified as Exempt Property if, and only if, existing Parcels of Exempt Property, of sufficient acreage, are re-classified as Developed Property or Undeveloped Property.

“Residential Floor Space” means the square footage of a Dwelling Unit, exclusive of garages, as shown on or calculated from the appropriate building records of the City of Riverside Building Department or the County of Riverside Building Department.

“Residential Property” means all Parcels of Developed Property for which a building permit has been issued for purposes of constructing a Dwelling Unit.

“Special Tax Requirement for Improvement Area No. 1” means that amount required in any Fiscal Year to pay (1) debt service on all outstanding Bonds which is secured by Special Taxes levied on Parcels in Improvement Area No. 1, (2) costs incurred by the District and CFD No. 13 in the annual levy and collection of the Special Taxes in Improvement Area No. 1, (3) other reasonable costs related to the administration of CFD No. 13 for Improvement Area No. 1, and (4) any amounts required, to the extent permitted by the Maximum Special Tax for all Parcels of Taxable Property in Improvement Area No. 1, to create, maintain, or replenish any reserve fund established for the outstanding Bonds issued and sold for Improvement Area No. 1.

“Special Tax Requirement for Improvement Area No. 2” means that amount required in any Fiscal Year to pay (1) debt service on all outstanding Bonds which is secured by Special Taxes levied on Parcels in Improvement Area No. 2, (2) costs incurred by the District and CFD No. 13 in the annual levy and collection of the Special Taxes in Improvement Area No. 2, (3) other reasonable costs related to the administration of CFD No. 13 for Improvement Area No. 2, and (4) any amounts required, to the extent permitted by the Maximum Special Tax for all Parcels of Taxable Property in Improvement Area No. 2, to create, maintain, or replenish any reserve fund established for the outstanding Bonds issued and sold for Improvement Area No. 2.

“Special Taxes” means the Special Taxes to be levied in each Fiscal Year on all Parcels of Developed Property, Undeveloped Property and Provisional Undeveloped Property to fund the Special Tax Requirement for Improvement Area No. 1 or the Special Tax Requirement for Improvement Area No. 2.

“Taxable Property” means all Parcels within either IA No. 1 or IA No. 2 that are not Exempt Property.

“Undeveloped Property” means all Parcels within either IA No. 1 or IA No. 2 which are not classified as Developed Property, Provisional Undeveloped Property or Exempt Property.

B. ASSIGNMENT TO IMPROVEMENT AREA AND CLASSIFICATION OF PARCELS

For each Fiscal Year (commencing with the 2004-2005 Fiscal Year) all Parcels within IA No. 1 or IA No. 2 shall be classified as Developed Property, Undeveloped Property, Exempt Property or Provisional Undeveloped Property, and all Parcels of Taxable Property shall be subject to the levy of Special Taxes in accordance with the rates and method of apportionment of the Special Taxes as set forth in Sections C and D below.

For purposes of determining the applicable Maximum Special Tax pursuant to Section C, Parcels of Developed Property within IA No. 1 or IA No. 2 shall be assigned to a Land Use Category as specified in Table 1 or Table 2. Within IA No. 1 and IA No. 2, Parcels of Residential Property shall be assigned to Land Use Category 1, 2, 3, 4, 5, 6, 7 or 8 as specified in Table 1 or Table 3, as appropriate, based upon the Residential Floor Space of the Dwelling Unit(s) on or to be constructed on a Parcel as provided in the most recent building permit issued for such Parcel, and Parcels of Non-Residential Property shall be assigned to Land Use Category 9 as specified in such tables. All Parcels of Taxable Property which are not classified as Developed Property shall be classified and taxed as either Undeveloped Property or Provisional Undeveloped Property. A Parcel which is classified as Provisional Undeveloped Property may be re-classified as Exempt Property if, and only if, existing Parcels of Exempt Property, of sufficient acreage, are re-classified as Developed Property or Undeveloped Property.

C. MAXIMUM SPECIAL TAX RATES

1) Improvement Area No. 1

a. Developed Property

The Maximum Special Tax for each Parcel of Developed Property classified as Residential Property in Improvement Area No. 1 shall be the greater of (i) the amount determined by multiplying the Dwelling Unit(s) on or to be constructed on the Parcel by the applicable Assigned Special Tax Rate per Dwelling Unit specified in Table 1 below, or (ii) the Alternate Special Tax.

The Maximum Special Tax for each Parcel of Developed Property classified as Non-Residential Property shall be determined by multiplying the Net Taxable Acreage of the Parcel by the Assigned Special Tax Rate for Non-Residential Property as specified in Table 1.

Table 1

**Assigned Special Tax Rates
Improvement Area No. 1**

Land Use Category	Description	Residential Floor Space	Assigned Special Tax Rate
1.	Residential Property	3,801 sq. ft. or more	\$3,138 per Dwelling Unit
2.	Residential Property	3,601 – 3,800 sq. ft.	\$3,041 per Dwelling Unit
3.	Residential Property	3,401 – 3,600 sq. ft.	\$2,952 per Dwelling Unit
4.	Residential Property	3,201 – 3,400 sq. ft.	\$2,855 per Dwelling Unit
5.	Residential Property	3,001 – 3,200 sq. ft.	\$2,751 per Dwelling Unit
6.	Residential Property	2,801 – 3,000 sq. ft.	\$2,647 per Dwelling Unit
7.	Residential Property	2,601 – 2,800 sq. ft.	\$2,543 per Dwelling Unit
8.	Residential Property	2,600 sq. ft. or less	\$2,439 per Dwelling Unit
9.	Non-Residential Property	N/A	\$7,190 per Net Taxable Acre

b. Undeveloped Property and Provisional Undeveloped Property

The Maximum Special Tax for each Parcel of Undeveloped Property and Provisional Undeveloped Property in Improvement Area No. 1 shall be determined by multiplying Net Taxable Acreage of the Parcel by \$7,190.

c. Alternate Special Tax

At the time a Final Map is recorded, the Alternate Special Tax for all Parcels of Developed Property classified or to be classified as Residential Property within such Final Map shall be determined by multiplying the total Net Taxable Acreage of Taxable Property, excluding the Net Taxable Acreage of Provisional Undeveloped Property, if any, in such Final Map, by \$7,190 and dividing the product by the total number of Dwelling Units within such Final Map.

Notwithstanding the foregoing, if all or any portion of a Final Map is subsequently changed or modified, then the Alternate Special Tax for each Parcel of Developed Property classified or to be classified as Residential Property in such Final Map that is changed or modified shall be a rate per square foot of Net Taxable Acre calculated as follows:

1. Determine the total Alternate Special Tax anticipated to apply to the changed or modified portion of the Final Map prior to the change or modification.
2. The amount determined pursuant to paragraph 1 above shall be divided by the Net Taxable Acreage of Residential Property which is expected to be located in such changed or modified portion of the Final Map, as determined by the District.
3. The quotient derived pursuant to of paragraph 2 above shall be divided by 43,560. The resulting quotient is the Alternate Special Tax per square foot which shall be applicable to Parcels of Residential Property in such changed or modified portion of the Final Map for all remaining Fiscal Years in which the Special Tax may be levied.

2) **Improvement Area No. 2**

a. **Developed Property**

The Maximum Special Tax for each Parcel of Developed Property classified as Residential Property in Improvement Area No. 2 shall be the greater of (i) the amount determined by multiplying the Dwelling Unit(s) on or to be constructed on the Parcel by the applicable Assigned Special Tax Rate per Dwelling Unit specified in Table 2 below, or (ii) the Alternate Special Tax.

The Maximum Special Tax for each Parcel of Developed Property classified as Non-Residential Property shall be determined by multiplying the Net Taxable Acreage of the Parcel by the Assigned Special Tax Rate for Non-Residential Property as specified in Table 2.

Table 2

**Assigned Special Tax Rates
Improvement Area No. 2**

Land Use Category	Description	Residential Floor Space	Assigned Special Tax Rate
1.	Residential Property	3,801 sq. ft. or more	\$3,138 per Dwelling Unit
2.	Residential Property	3,601 – 3,800 sq. ft	\$3,041 per Dwelling Unit
3.	Residential Property	3,401 – 3,600 sq. ft	\$2,952 per Dwelling Unit
4.	Residential Property	3,201 – 3,400 sq. ft.	\$2,855 per Dwelling Unit
5.	Residential Property	3,001 – 3,200 sq. ft	\$2,751 per Dwelling Unit
6.	Residential Property	2,801 – 3,000 sq. ft	\$2,647 per Dwelling Unit
7.	Residential Property	2,601 – 2,800 sq. ft.	\$2,543 per Dwelling Unit
8.	Residential Property	2,600 sq. ft. or less	\$2,439 per Dwelling Unit
9.	Non-Residential Property	N/A	\$6,002 per Net Taxable Acre

b. **Undeveloped Property and Provisional Undeveloped Property**

The Maximum Special Tax for each Parcel of Undeveloped Property and Provisional Undeveloped Property in Improvement Area No. 2 shall be determined by multiplying the Net Taxable Acreage of the Parcel by \$6,002.

c. **Alternate Special Tax**

At the time a Final Map is recorded, the Alternate Special Tax for all Parcels of Developed Property classified or to be classified as Residential Property within such Final Map shall be determined by multiplying the total Net Taxable Acreage of Taxable Property, excluding the Net Taxable Acreage of Provisional Undeveloped Property, if any, in such Final Map by \$6,002, and dividing the product by the total number of Dwelling Units within such Final Map.

Notwithstanding the foregoing, if all or any portion of a Final Map is subsequently changed or modified, then the Alternate Special Tax for each Parcel of Developed Property classified or to be classified as Residential Property in such Final Map area that is changed or modified shall be a rate per square foot of Net Taxable Acre calculated as follows:

1. Determine the total Alternate Special Tax anticipated to apply to the changed or modified portion of the Final Map prior to the change or modification.
2. The amount determined pursuant to paragraph 1 above shall be divided by the Net Taxable Acreage of Residential Property which is ultimately expected to be located in such changed or modified portion of the Final Map, as determined by the District.
3. The quotient derived pursuant to paragraph 2 above shall be divided by 43,560. The resulting quotient is the Alternate Special Tax per square foot which shall be applicable to Parcels of Residential Property in such changed or modified portion of the Final Map for all remaining Fiscal Years in which the Special Tax may be levied.

D. METHOD OF APPORTIONMENT AND LEVY OF THE SPECIAL TAX

Starting in Fiscal Year 2004-2005 and for each subsequent Fiscal Year, the Board shall determine the Special Tax Requirement for Improvement Area No. 1 and the Special Tax Requirement for Improvement Area No. 2 and shall apportion and levy the Special Tax as follows.

1) Apportionment and Levy of Special Tax for Improvement Area No. 1

Step 1: The Special Tax shall be levied on all Parcels of Developed Property in Improvement Area No. 1 at 100 percent of the Assigned Special Tax Rate. However, if the amount of the Special Taxes so levied exceeds the Special Tax Requirement for Improvement Area No. 1, the levy of the Special Taxes on all Parcels of Developed Property in Improvement Area No. 1 shall be proportionally decreased until the revenues produced thereby will be equal to the Special Tax Requirement for Improvement Area No. 1.

Step 2: If the revenues that would be produced by levying the Special Tax pursuant to Step 1 are less than the Special Tax Requirement for Improvement Area No. 1, the Special Tax shall be levied proportionally on all Parcels of Undeveloped Property in Improvement Area No. 1 up to 100 percent of the Maximum Special Tax.

Step 3: If the revenues that would be produced by levying the Special Tax pursuant to Steps 1 and 2 are less than the Special Tax Requirement for Improvement Area No. 1, the Special Tax to be levied on all Parcels of Developed Property in Improvement Area No.1, whose Maximum Special Tax is determined by application of the Alternate Special Tax, shall be proportionally increased from the applicable Assigned Special Tax Rate up to 100 percent of the Maximum Special Tax.

Step 4: If the revenues that would be produced by levying the Special Tax pursuant to Steps 1, 2 and 3 are less than the Special Tax Requirement for Improvement Area No. 1, the Special Tax shall be levied proportionally on all Parcels of Provisional Undeveloped Property in Improvement Area No. 1, up to 100 percent of the Maximum Special Tax.

2) Apportionment and Levy of Special Tax for Improvement Area No. 2

Step 1: The Special Tax shall be levied on all Parcels of Developed Property in Improvement Area No. 2 at 100 percent of the Assigned Special Tax Rate. However, if the amount of the Special Taxes so levied exceeds the Special Tax Requirement for Improvement Area No. 2, the levy of the Special Taxes on all Parcels of Developed Property in Improvement Area No.2 shall be proportionally decreased until the revenues produced thereby will be equal to the Special Tax Requirement for Improvement Area No. 2.

Step 2: If the revenues that would be produced by levying the Special Tax pursuant to Step 1 are less than the Special Tax Requirement for Improvement Area No. 2, the Special Tax shall be levied proportionally on all Parcels of Undeveloped Property in Improvement Area No. 2 up to 100 percent of the Maximum Special Tax.

Step 3: If the revenues that would be produced by levying the Special Tax pursuant to Steps 1 and 2 are less than the Special Tax Requirement for Improvement Area No. 2, the Special Tax to be levied on all Parcels of Developed Property in Improvement Area No. 2, whose Maximum Special Tax is determined by application of the Alternate Special Tax, shall be proportionally increased from the applicable Assigned Special Tax Rate up to 100 percent of the Maximum Special Tax.

Step 4: If the revenues that would be produced by levying the Special Tax pursuant to Steps 1, 2 and 3 are less than the Special Tax Requirement for Improvement Area No. 2, the Special Tax shall be levied proportionally on all Parcels of Provisional Undeveloped Property in Improvement Area No. 2, up to 100 percent of the Maximum Special Tax.

E. EXEMPTIONS

1) Improvement Area No. 1

The Board shall not levy Special Taxes on:

- Up to 23.0 acres of the following property:
 - Public streets,
 - Publicly owned property or property as to which a public agency has a permanent easement,
 - Property owned by a property owners' association or property to which a property owners' association has a permanent easement (includes private streets and open space),
 - A utility easement(s) which cannot be used for purposes other than those set forth in the easement(s), and
- Any Parcel for which the obligation to pay the Special Taxes has been prepaid in full pursuant to Section G.1. below.

2) Improvement Area No. 2

The Board shall not levy Special Taxes on:

- Up to 36.4 acres of the following property:
 - Public streets,
 - Publicly owned property or property as to which a public agency has a permanent easement,
 - Property owned by a property owners' association or property to which a property owners' association has a permanent easement (includes private streets and open space),
 - A utility easement(s) which cannot be used for purposes other than those set forth in the easement(s), and
- Any Parcel for which the obligation to pay the Special Taxes has been prepaid in full pursuant to Section G.1. below.

Notwithstanding the preceding provisions of this Section E, Parcels or portions of Parcels conveyed or irrevocably offered for dedication to federal, state or local governments after formation of CFD No. 13, and not otherwise exempt pursuant to this Section E, shall be subject to the Special Tax pursuant to Section 53317.3 or 53317.5 of the Act and classified as Provisional Undeveloped Property. Such Parcels may be exempted, at the direction of the Board, if the Special Tax to be derived therefrom in any Fiscal Year is not needed to meet the Special Tax requirement under Section D above.

F. MANNER OF COLLECTION

The Special Taxes in IA No.1 and IA No. 2 will be collected in the same manner and at the same time as ordinary ad valorem property taxes; provided, however, that prepayments are permitted as set forth in Section G below; and provided further that the District may directly bill all or part of the Special Taxes, and may collect the Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of CFD No. 13. Furthermore, the Board may authorize the collection of delinquent Special Taxes by judicial foreclosure proceedings pursuant to Section 53356.1 of the Act.

G. PREPAYMENT AND SATISFACTION OF SPECIAL TAX OBLIGATION

1) Prepayment in Full

The Special Tax obligation for any Parcel of Developed Property or any Parcel of Undeveloped Property or Provisional Undeveloped Property for which a building permit has been issued within IA No. 1 or IA No. 2 may be prepaid and permanently satisfied as described herein, provided that a prepayment may be made only if at the time of the prepayment there are no delinquent Special Taxes with respect to such Parcel and all other Parcels which are under the same ownership and located within IA No. 1 or IA No. 2, as applicable. An owner of a Parcel intending to prepay the Special Tax obligation shall provide the District with written notice of intent to prepay. Within 30 days of receipt of such written notice, the District shall notify such owner of the prepayment amount for such Parcel and the date through which the amount of such prepayment shall be valid.

The following additional definitions apply to this section G1:

“CFD Public Facilities Amount” means \$6,300,000 for IA No. 1 and \$6,300,000 for IA No. 2, expressed in 2003 dollars, which shall increase by the annual percentage change in the Construction Inflation Index on July 1, 2004, and on each July 1 thereafter, or such lower amount as is determined by the District as being sufficient to provide the public facilities.

“Construction Fund” means a fund or account specifically identified in the Indenture to hold funds which are available to acquire or construct public facilities for CFD No. 13.

“Construction Inflation Index” means the Engineering News-Record Building Cost Index for the City of Los Angeles, measured as of the calendar year which ends in the previous Fiscal Year. In the event this index ceases to be published, the Construction Inflation Index shall be another index which is determined by the District to be reasonably comparable to the Engineering News-Record Building Cost Index for the City of Los Angeles.

“Outstanding Bonds” means all Bonds secured by the levy of Special Taxes which will remain outstanding after the first interest and/or principal payment date following the then current Fiscal Year, excluding Bonds to be redeemed at a later date with the proceeds of prior prepayments of the Special Tax obligation.

“Prepayment” means an amount equal to the sum of (1) Principal, (2) Premium, (3) Future Facilities Cost, (4) Defeasance, and (5) Fees minus the Reserve Fund Credit and the Capitalized Interest Credit, where the terms “Principal,” “Premium,” “Future Facilities Cost,” “Defeasance,” “Fees,” “Reserve Fund Credit,” and “Capitalized Interest Credit” have the following meanings:

“Principal” means the principal amount of Bonds to be redeemed with the proposed prepayment and equals the quotient derived by dividing (a) the total amount of Special Tax that could be collected if the Special Tax were levied on the Parcel intending to prepay at the Maximum Special Tax for the Parcel by (b) the total amount of Special Tax that could be collected if the Special Tax were levied on all Parcels of Taxable Property in IA No. 1 or IA No. 2, as applicable (except Parcels which have prepaid the Special Tax obligation) at the Maximum Special Tax for all such Parcels, and by multiplying that quotient by the portion of the principal amount of the Outstanding Bonds the debt service on which is payable from Special Taxes levied on Parcels of Taxable Property in IA No. 1 or IA No. 2, as applicable.

“Premium” means an amount equal to the Principal multiplied by the redemption premium, if any, for the Bonds which will be redeemed with the prepayment.

“Future Facilities Cost” means the CFD Public Facilities Amount minus public facility costs which will be paid from proceeds of the sale of the Outstanding Bonds on deposit in the Construction Fund, minus public facility costs that will be paid from interest earned from investment of the Construction Fund prior to the date of prepayment.

“Defeasance” means the amount needed to pay interest on the Principal until the earliest redemption date for the Outstanding Bonds less the earnings from the investment of the amount of the Principal less the Fees until the redemption date for the Outstanding Bonds to be redeemed with the Prepayment. Credit shall also be given for any Special Tax which has been paid for the Parcel intending to prepay but which has not yet been expended for purposes of the Special Tax Requirement for Improvement Area No. 1 or Improvement Area No. 2, as applicable.

“Fees” means administrative fees and expenses associated with the prepayment as calculated by or on behalf of the District including, but not limited to, the costs of computing the Prepayment, the costs of removing any Special Taxes from the Tax Roll, the costs of redeeming the Bonds, and the costs of recording and publishing any notices to evidence the Prepayment and the redemption of Bonds.

“Reserve Fund Credit” means the lesser of (i) the expected reduction in the applicable Reserve Requirement (as defined in the Indenture) following the redemption of Bonds with the Prepayment or (ii) the amount derived by subtracting the new Reserve Requirement which will be in effect after the redemption of Bonds with the Prepayment from the amount on deposit in the Reserve Fund (as defined in the Indenture) on the prepayment date, but in no event shall such amount be less than zero.

“Capitalized Interest Credit” means the pro rata amount of capitalized interest on the Bonds, if any, which is allocable to the Parcel intending to prepay the Special Tax obligation determined by dividing (a) the total amount of Special Tax revenues that could be collected if the Special Tax were levied on the Parcel in an amount equal to the Maximum Special Tax for the Parcel by (b) the total amount of Special Tax that could be collected if the Special Tax were levied on all Parcels of Taxable Property in IA No. 1 or IA No. 2, as applicable (except Parcels which have prepaid the Special Tax obligation) in an amount equal to the Maximum

Special Tax for all such Parcels, and by multiplying that quotient by the remaining amount of capitalized interest which is allocable to IA No. 1 or IA No. 2, as applicable.

The Prepayment, exclusive of the Future Facilities Cost, shall be paid to the District and shall be used to pay and redeem Bonds in accordance with the Indenture and to pay the Fees. The Future Facilities Cost shall be retained in the Construction Fund. Upon the payment of the Prepayment to the District, the obligation to pay the Special Tax for the prepaying Parcel shall be deemed to be permanently satisfied, the Special Tax shall not be levied thereafter on the Parcel, and the District shall cause a notice of cancellation of the Special Tax lien for such Parcel to be recorded.

Notwithstanding the foregoing, no prepayment shall be allowed unless the total amount of the Special Tax that could be levied on all Parcels of Taxable Property in IA No. 1 or IA No. 2, as applicable, pursuant to Section D after the proposed prepayment would be at least equal to the sum of (i) the Administrative Expenses allocable to IA No. 1 or IA No. 2 and (ii) an amount equal to one hundred ten percent (110%) of annual debt service on the Bonds which will remain outstanding following the redemption of Bonds with the Prepayment.

2) **Prepayment in Part**

An owner of not less than 15 Parcels of Residential Property or the owner of a Parcel of Residential Property upon which not less than 15 Dwelling Units will be constructed may partially prepay the obligation of all such Parcels or such Parcel to pay the Special Tax by the same percentage for each such Parcel or Dwelling Unit (a "Partial Prepayment"). An owner of a single Parcel of Residential Property that has been or will be improved with a single Dwelling Unit will not be allowed to make a Partial Prepayment for the Parcel. The owner of a Parcel of Non-Residential Property or the owner of a Parcel of Undeveloped Property or Provisional Undeveloped Property for which a building permit has been issued which will not cause the Parcel to be Residential Property may partially prepay the obligation of the Parcel to pay the Special Tax obligation (also a "Partial Prepayment"). However, no Partial Prepayment shall be allowed if there are delinquent Special Taxes for the Parcel or any other Parcel which is also owned by the owner of the Parcel or Parcels proposing the Partial Prepayment.

An owner of such a Parcel intending to prepay a portion of the Special Tax obligation for the Parcel shall provide the District with written notice of intent to prepay and the percentage of the Special Tax obligation to be prepaid. Within 30 days of receipt of such written notice, the District shall notify such owner of the Partial Prepayment amount for such Parcel and the date through which the amount of such Partial Prepayment shall be valid.

The amount of the Partial Prepayment shall be calculated pursuant to Section G.1. and the following formula:

$$PP = (Pe \times F) + A$$

The abbreviated terms in this formula have the following meanings:

PP= the Partial Prepayment

Pe= the Prepayment amount calculated according to Section G.1.

F= the percent by which the owner of the Parcel is partially prepaying the Special Tax obligation.

A= the Fees determined in Section G.1.

The Partial Prepayment, exclusive of the portion thereof attributable to the Future Facilities Cost, shall be paid to the District and shall be used to pay and redeem Bonds in accordance with the Indenture and to pay the Fees. The portion of the Partial Prepayment attributable to the Future Facilities Cost

shall be retained in the Construction Fund. Upon the payment of the Partial Prepayment to the District, the portion of the Special Tax equal to the outstanding percentage (1.00 – F) of the remaining Special Tax obligation shall continue to be authorized to be levied on the such Parcel pursuant to Section D.

Notwithstanding the foregoing, no Partial Prepayment shall be allowed unless the total amount of the Special Tax that could be levied on all Parcels of Taxable Property in IA No. 1 or IA No. 2, as applicable, pursuant to Section D after the proposed Partial Prepayment would be at least equal to the sum of (i) the Administrative Expenses allocable to IA No. 1 or IA No. 2 and (ii) an amount equal to one hundred ten percent (110%) of annual debt service on the Bonds which will remain outstanding following the redemption of Bonds with the Partial Prepayment.

H. TERM OF SPECIAL TAX

For each year that any Bonds are outstanding the Special Tax shall be levied on all Parcels of Taxable Property. No Special Tax shall be levied on any Parcel after the 2039-2040 Fiscal Year.

I. RELIEF FROM ALTERNATIVE SPECIAL TAX

All Parcels within IA No. 1 or IA No. 2 will be relieved simultaneously and permanently from the obligation to pay and disclose the Alternate Special Tax if the Board determines that the total amount of the Special Taxes which could be levied in any Fiscal Year on all Parcels of Developed Property in IA No. 1 or IA No. 2, as applicable, based on the Assigned Special Tax Rates for such Parcels would be equal to at least 110 percent of maximum annual debt service on the outstanding Bonds plus estimated annual Administrative Expenses in any such Fiscal Year with respect to the outstanding Bonds which have been issued for IA No. 1 or IA No. 2, as applicable.

**RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR
COMMUNITY FACILITIES DISTRICT NO. 14 OF
RIVERSIDE UNIFIED SCHOOL DISTRICT**

Special Taxes (defined below) shall be levied on all Parcels (defined below) located within the boundaries of Community Facilities District No. 14 of Riverside Unified School District (hereinafter “CFD No. 14”). The amount of Special Tax to be levied on a Parcel in any Fiscal Year (defined below) shall be determined by the Board of Education of Riverside Unified School District (hereinafter the “Board” and the “District”), in accordance with the rates and method of apportionment of the Special Taxes described below. All of the property in CFD No. 14, unless exempted by law or Section E below, shall be taxed for the purposes, to the extent, and in the manner provided herein.

A. DEFINITIONS

“**Act**” means the Mello-Roos Community Facilities Act of 1982, being Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California.

“**Administrative Expenses**” means the following actual or reasonably estimated costs directly related to the administration of CFD No. 14: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the District, CFD No. 14, or an agent thereof); the costs of collecting the Special Taxes (whether by the District or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the District, CFD No. 14 or any agent thereof in complying with arbitrage rebate requirements; the costs to the District, CFD No. 14 or any agent thereof in complying with District, CFD No. 14 or obligated persons disclosure requirements associated with applicable federal and state securities laws and of the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquires regarding the Special Taxes; the costs of the District, CFD No. 14 or any agent thereof related to an appeal of the Special Tax; the costs associated with the release of funds from an escrow account; and the District’s annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the District or CFD No. 14 for any other administrative purposes of CFD No. 14 including attorney’s fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

“**Alternate Special Tax**” means the applicable alternate special tax for a Parcel as calculated pursuant to Section C.1.c. or Section C.2.c. below, as applicable.

“**Assessor’s Parcel Map**” means an official map of the Assessor of the County of Riverside designating Parcels by assessor’s parcel number.

“**Assigned Special Tax Rate**” means the applicable assigned special tax rate for a Parcel specified in Table 1 or Table 2 in Section C below, as applicable.

“**Bonds**” means the bonds of CFD No. 14, which are issued for CFD No. 14.

“**Developed Property**” means for any Fiscal Year all Taxable Property, exclusive of Public Property and Property Owner Association Property, for which a building permit was issued as of March 1 of the prior Fiscal Year.

“**Dwelling Unit**” means any residential structure including, but not limited to apartments, condominiums, townhouses, or single-family detached houses, offered for rent or for sale for which a building permit was issued as of March 1 of the prior Fiscal Year.

“Exempt Property” means any Parcel within CFD No. 14 that is exempt from the levy of Special Taxes pursuant to Section E.

“Final Map” means a subdivision of property by recordation of a final map, parcel map, or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code Section 1352 that creates individual lots for which building permits may be issued without further subdivision.

“Fiscal Year” means the twelve month period starting on July 1 of any calendar year and ending the following June 30.

“Indenture” means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing, amending or supplementing the same.

“Maximum Special Tax” means the maximum Special Tax, determined in accordance with Section C that can be levied by the Board in any Fiscal Year on any Parcel.

“Net Taxable Acre or Acreage” means that acreage shown on the Assessor’s Parcel Map for each Parcel, exclusive of property exempt from the Special Tax pursuant to the Act or Section E below. In the event that the Assessor’s Parcel Map shows no acreage for a Parcel, the Net Taxable Acreage for the Parcel shall be as shown on or determined from the recorded final subdivision map, parcel map, or functionally equivalent map or instrument for the Parcel.

“Non-Residential Property” means all Parcels of Developed Property for which a building permit has been issued for the construction of a building that is not a Dwelling Unit.

“Parcel” means a lot or parcel shown on an Assessor’s Parcel Map with an assigned assessor’s parcel number as of the date of the levy of the Special Taxes for each Fiscal Year.

“Property Owner Association Property” means any property within the boundaries of CFD No. 14 owned by or dedicated to a property owner association, including any master or sub-association.

“Proportionately” means for Parcels of Residential Property that the ratio of the actual Special Tax levy to the Assigned Special Tax Rate is the same for all Parcels of Residential Property. For Parcels of Non-Residential Property and Parcels of Undeveloped Property, “Proportionately” means that the ratio of the actual Special Tax levy per Net Taxable Acre to the Maximum Special Tax per Net Taxable Acre is the same for all Parcels of Non-Residential Property or Parcels of Undeveloped Property.

“Public Property” means any property within the boundaries of CFD No. 14 that is used for public rights-of-way or any other public purpose and is owned by or dedicated or irrevocably offered for dedication to the federal government, the State of California, the County, or any other public agency; provided, however, that any property leased by a public agency; to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use.

“Residential Floor Space” means the square footage of a Dwelling Unit, exclusive of garages, as shown on or calculated from the appropriate building records of the City of Riverside Building Department.

“Residential Property” means all Parcels of Developed Property upon which a Dwelling Unit is located or for which a building permit has been issued for the purpose of constructing a Dwelling Unit.

“**Special Tax**” means the special tax to be levied in each Fiscal Year on each Parcel of Taxable Property to fund the Special Tax Requirement.

“**Special Tax Requirement**” means that amount required in any Fiscal Year to pay (1) debt service on all outstanding Bonds, (2) costs incurred by the District and CFD No. 14 in the annual levy and collection of the Special Taxes, (3) other costs related to the administration of CFD No. 14 and (4) any amounts required, to the extent permitted by the Maximum Special Tax for all Parcels of Taxable Property, to create, maintain, or replenish any reserve fund established for the outstanding Bonds.

“**Tax Zone 1**” means all property located within the area identified as Tax Zone 1 on the boundary map for CFD No. 14.

“**Tax Zone 2**” means all property located within the area identified as Tax Zone 2 on the boundary map for CFD No. 14.

“**Taxable Property**” means all Parcels that are not Exempt Property.

“**Taxable Property Owner Association Property**” means all Parcels of Property Owner Association Property that are not exempt pursuant to Section E below.

“**Taxable Public Property**” means all Parcels of Public Property that are not exempt pursuant to Section E below.

“**Trustee**” means the trustee or fiscal agent under the Indenture.

“**Undeveloped Property**” means all Parcels which are not classified as Developed Property, Public Property or Property Owner Association Property.

B. CLASSIFICATION AND ASSIGNMENT TO LAND USE CATEGORY

For each Fiscal Year (commencing with the 2004-2005 Fiscal Year) all Parcels shall be classified as Developed Property, Taxable Public Property, Taxable Property Owner Association Property, Undeveloped Property, or Exempt Property, and shall be subject to the levy of Special Taxes in accordance with the rates and method of apportionment of the Special Taxes as set forth in Sections C and D below.

For purposes of determining the applicable Maximum Special Tax pursuant to Section C, Parcels of Developed Property within Tax Zone 1 or Tax Zone 2 shall be assigned to a Land Use Category as specified in Table 1 or Table 2, as appropriate. Parcels of Residential Property shall be assigned to Land Use Category 1, 2 or 3, as specified in Table 1 or Table 2, as appropriate, based upon the Residential Floor Space of the Dwelling Unit(s) on or to be constructed on a Parcel as provided in the most recent building permit issued for such Parcel. Parcels of Non-Residential Property shall be assigned to Land Use Category 4.

C. MAXIMUM SPECIAL TAX

1. Tax Zone 1

a. Developed Property

The Maximum Special Tax for each Parcel of Developed Property classified as Residential Property in Tax Zone 1 shall be the greater of (i) the amount determined by multiplying the Dwelling Unit(s) on or to be constructed on the Parcel by the

applicable Assigned Special Tax Rate per Dwelling Unit specified in Table 1 below, or (ii) the Alternate Special Tax.

The Maximum Special Tax for each Parcel of Developed Property classified as Non-Residential Property in Tax Zone 1 shall be determined by multiplying the Net Taxable Acreage of the Parcel by the Assigned Special Tax Rate for Non-Residential Property as specified in Table 1.

**Table 1
Assigned Special Tax Rates
Tax Zone 1**

Land Use Category	Description	Residential Floor Space	Assigned Special Tax Rate
1	Residential Property	1,651 sq. ft. or more	\$1,632 per Dwelling Unit
2	Residential Property	1,451 – 1,650 sq. ft.	\$1,546 per Dwelling Unit
3	Residential Property	1,450 sq. ft. or less	\$1,494 per Dwelling Unit
4	Non-Residential Property	N/A	\$33,211 per Net Taxable Acre

b. Taxable Property Owner Association Property, Taxable Public Property and Undeveloped Property

The Maximum Special Tax for each Parcel of Taxable Public Property, Taxable Property Owner Association Property and Undeveloped Property in Tax Zone 1 shall be determined by multiplying Net Taxable Acreage of the Parcel by \$33,211.

c. Alternate Special Tax

At the time a Final Map is recorded, the Alternate Special Tax for all Parcels of Developed Property within Tax Zone 1 classified or to be classified as Residential Property within such Final Map shall be determined by multiplying the total Net Taxable Acreage of Taxable Property in Tax Zone 1 in such Final Map, by \$33,211 and dividing the product by the total number of Dwelling Units within Tax Zone 1 as shown on such Final Map.

Notwithstanding the foregoing, if all or any portion of a Final Map is subsequently changed or modified, then the Alternate Special Tax for each Parcel of Developed Property classified or to be classified as Residential Property in such Final Map that is changed or modified shall be a rate per square foot calculated as follows:

1. Determine the total Alternate Special Tax anticipated to apply to the changed or modified portion of the Final Map prior to the change or modification.
2. Divide the amount determined pursuant to paragraph 1 by the Net Taxable Acreage of Residential Property which is expected to be located in such changed or modified portion of the Final Map, as determined by the District.
3. Divide the quotient derived pursuant to paragraph 2 by 43,560. The resulting quotient is the Alternate Special Tax per square foot which shall be applicable to Parcels of Residential Property in such changed or modified

portion of the Final Map for all remaining Fiscal Years in which the Special Tax may be levied.

2. Tax Zone 2

a. Developed Property

The Maximum Special Tax for each Parcel of Developed Property classified as Residential Property in Tax Zone 2 shall be the greater of (i) the amount determined by multiplying the Dwelling Unit(s) on or to be constructed on the Parcel by the applicable Assigned Special Tax Rate per Dwelling Unit specified in Table 2 below, or (ii) the Alternate Special Tax.

The Maximum Special Tax for each Parcel of Developed Property classified as Non-Residential Property in Tax Zone 2 shall be determined by multiplying the Net Taxable Acreage of the Parcel by the Assigned Special Tax Rate for Non-Residential Property as specified in Table 2.

**Table 2
Assigned Special Tax Rates
Tax Zone 2**

Land Use Category	Description	Residential Floor Space	Assigned Special Tax Rate
1	Residential Property	2,601 sq. ft. or more	\$2,104 per Dwelling Unit
2	Residential Property	2,251 – 2,600 sq. ft.	\$2,070 per Dwelling Unit
3	Residential Property	2,250 sq. ft. or less	1,769 per Dwelling Unit
4	Non-Residential Property	N/A	\$25,247 per Net Taxable Acre

b. Taxable Property Owner Association Property, Taxable Public Property and Undeveloped Property

The Maximum Special Tax for each Parcel of Taxable Public Property, Taxable Property Owner Association Property and Undeveloped Property in Tax Zone 2 shall be determined by multiplying the Net Taxable Acreage of the Parcel by \$25,247.

c. Alternate Special Tax

At the time a Final Map is recorded, the Alternate Special Tax for all Parcels of Developed Property within Tax Zone 2 classified or to be classified as Residential Property within such Final Map shall be determined by multiplying the total Net Taxable Acreage of Taxable Property in Tax Zone 2 in such Final Map, by \$25,247 and dividing the product by the total number of Dwelling Units within Tax Zone 2 as shown on such Final Map.

Notwithstanding the foregoing, if all or any portion of a Final Map is subsequently changed or modified, then the Alternate Special Tax for each Parcel of Developed Property classified or to be classified as Residential Property in such Final Map area that is changed or modified shall be a rate per square foot calculated as follows:

1. Determine the total Alternate Special Tax anticipated to apply to the changed or modified portion of the Final Map prior to the change or modification.
2. Divide the amount determined pursuant to paragraph 1 above by the Net Taxable Acreage of Residential Property which is ultimately expected to be located in such changed or modified portion of the Final Map, as determined by the District.
3. Divide the quotient derived pursuant to paragraph 2 above by 43,560. The resulting quotient is the Alternate Special Tax per square foot which shall be applicable to Parcels of Residential Property in such changed or modified portion of the Final Map for all remaining Fiscal Years in which the Special Tax may be levied.

D. METHOD OF APPORTIONMENT AND LEVY OF THE SPECIAL TAX

Commencing with Fiscal Year 2004-2005 and for each following Fiscal Year, the Board shall determine the Special Tax Requirement and shall levy the Special Tax until the amount of Special Taxes equals the Special Tax Requirement. The Special Tax shall be levied each Fiscal Year as follows:

First: The Special Tax shall be levied Proportionately on each Parcel of Developed Property at up to 100% of the applicable Assigned Special Tax Rate to satisfy the Special Tax Requirement;

Second: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property at up to 100% of the Maximum Special Tax for Undeveloped Property;

Third: If additional monies are needed to satisfy the Special Tax Requirement after the first two steps have been completed, the Special Tax to be levied on each Parcel of Developed Property whose Maximum Special Tax is derived by the application of the Alternate Special Tax shall be increased Proportionately from the Assigned Special tax up to the Maximum Special Tax for each such Parcel;

Fourth: If additional monies are needed to satisfy the Special Tax Requirement after the first three steps have been completed, the Special Tax shall be levied Proportionately on each Parcel of Taxable Property Owner Association Property and Taxable Public Property at up to 100 % of the Maximum Special Tax for Taxable Property Owner Association Property and Taxable Public Property.

Notwithstanding the above, under no circumstances will the Special Tax levied against any Parcel of Residential Property for which an occupancy permit for private residential use has been issued be increased by more than ten percent (10%) as a consequence of delinquency or default by the owner of any other Parcel within CFD No. 14.

E. EXEMPTIONS

The Board shall not levy Special Taxes on Parcels or portions of Parcels of Public Property and Property Association Property, provided that exempting such property would not reduce the Taxable Property within Tax Zone 1 to less than 7.27 Net Taxable Acres and within Tax Zone 2 to less than 11.95 Net Taxable Acres, and any Parcel for which the obligation to pay the Special Taxes has been prepaid in full pursuant to Section G.1. below. The Parcels or portions of Parcels of Public Property and Property Association Property that would have caused the total Net Taxable Acres of Taxable

Property to be less than the acres specified above will be classified as Taxable Public Property and Taxable Property Association Property.

Notwithstanding the preceding provisions of this Section E, Parcels or portions of Parcels conveyed or irrevocably offered for dedication to federal, state or local governments after formation of CFD No. 14, and not otherwise exempt pursuant to this Section E, shall be subject to the Special Tax pursuant to Section 53317.3 or 53317.5 of the Act and classified as Taxable Public Property. Such Parcels shall be taxed Proportionately as part of the fourth step in Section D above, at up to 100% of the Maximum Special Tax for Taxable Public Property.

F. MANNER OF COLLECTION

The Special Taxes will be collected in the same manner and at the same time as ordinary ad valorem property taxes; provided, however, that prepayments are permitted as set forth in Section G below; and provided further that the District may directly bill all or part of the Special Taxes, and may collect the Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of CFD No. 14. Furthermore, the Board may authorize the collection of delinquent Special Taxes by judicial foreclosure proceedings pursuant to Section 53356.1 of the Act.

G. PREPAYMENT AND SATISFACTION OF SPECIAL TAX OBLIGATION

1. Prepayment in Full

The Special Tax obligation for any Parcel of Developed Property or any Parcel of Undeveloped Property for which a building permit has been issued may be prepaid and permanently satisfied as provided herein, provided that a prepayment may be made only if at the time of the prepayment there are no delinquent Special Taxes with respect to such Parcel and all other Parcels which are under the same ownership. An owner of a Parcel intending to prepay the Special Tax obligation shall provide the District with written notice of intent to prepay. Within 30 days of receipt of such written notice, the District shall notify such owner of the Prepayment (as defined below) for such Parcel and the date through which the amount of the Prepayment will be valid.

The following additional definitions apply to this section G1:

“CFD Public Facilities Amount” means \$6,000,000, expressed in 2003 dollars, which shall increase by the annual percentage change in the Construction Inflation Index on July 1, 2004, and on each July 1 thereafter, or such lower amount as is determined by the District as being sufficient to provide the public facilities.

“Construction Fund” means a fund or account specifically identified in the Indenture to hold funds which are available to acquire or construct public facilities for CFD No. 14.

“Construction Inflation Index” means the Engineering News-Record Building Cost Index for the City of Los Angeles, measured as of the calendar year which ends in the previous Fiscal Year. In the event this index ceases to be published, the Construction Inflation Index shall be another index which is determined by the District to be reasonably comparable.

“Outstanding Bonds” means all Bonds which will remain outstanding after the first interest and/or principal payment date following the then current Fiscal Year, excluding Bonds to be redeemed at a later date with the proceeds of prior prepayments of the Special Tax obligation.

“Prepayment” means an amount equal to the sum of (1) Principal, (2) Premium, (3) Future Facilities Cost, (4) Defeasance, and (5) Fees minus (A) Reserve Fund Credit and

(B) Capitalized Interest Credit, where the terms “Principal,” “Premium,” “Future Facilities Cost,” “Defeasance,” “Fees,” “Reserve Fund Credit,” and “Capitalized Interest Credit” have the following meanings:

“Principal” means the principal amount of the Bonds to be redeemed with the proposed prepayment and equals the quotient derived by dividing (a) the total amount of Special Tax that could be collected if the Special Tax were levied on the Parcel intending to prepay at the Maximum Special Tax for the Parcel by (b) the total amount of Special Tax that could be collected if the Special Tax were levied on all Parcels of Taxable Property (except Parcels which have prepaid the Special Tax obligation) at the Maximum Special Tax for all such Parcels, and by multiplying that quotient by the portion of the principal amount of the Outstanding Bonds, the debt service on which is payable from Special Taxes levied on Parcels of Taxable Property (except Parcels which have prepaid the Special Tax obligation).

“Premium” means an amount equal to the Principal multiplied by the redemption premium, if any, for the Bonds which will be redeemed with the prepayment.

“Future Facilities Cost” means the CFD Public Facilities Amount minus public facilities costs which will be paid from proceeds of the sale of the Outstanding Bonds on deposit in the Construction Fund, minus public facilities costs that will be paid from interest earned from investment of the Construction Fund prior to the date of the Prepayment.

“Defeasance” means the amount needed to pay interest on the Principal until the earliest redemption date for the Outstanding Bonds less the earnings from the investment of the amount of the Principal less the Fees until the redemption date for the Outstanding Bonds to be redeemed with the Prepayment. Credit shall also be given for any Special Tax which has been paid for the Parcel intending to prepay but which has not yet been expended for purposes of the Special Tax Requirement.

“Fees” means administrative fees and expenses associated with the Prepayment as calculated by or on behalf of the District including, but not limited to, the costs of computing the Prepayment, the costs of removing any Special Taxes from the tax roll, the costs of redeeming the Bonds, and the costs of recording and publishing any notices to evidence the Prepayment and the redemption of Bonds.

“Reserve Fund Credit” means the lesser of (i) the expected reduction in the applicable Reserve Requirement (as defined in the Indenture) following the redemption of Bonds with the Prepayment or (ii) the amount derived by subtracting the new Reserve Requirement which will be in effect after the redemption of Bonds with the Prepayment from the amount on deposit in the Reserve Fund (as defined in the Indenture) on the prepayment date, but in no event shall such amount be less than zero.

“Capitalized Interest Credit” means the pro rata amount of capitalized interest on the Bonds, if any, which is allocable to the Parcel intending to prepay the Special Tax obligation determined by dividing (a) the total amount of Special Tax revenues that could be collected if the Special Tax were levied on the Parcel in an amount equal to the Maximum Special Tax for the Parcel by (b) the total amount of Special Tax that could be collected if the Special Tax were levied on all Parcels of Taxable Property (except Parcels which have prepaid the Special Tax obligation) in an amount equal to the Maximum Special Tax for all such Parcels, and by multiplying that quotient by the remaining amount of capitalized interest.

The Prepayment, exclusive of the Future Facilities Cost, shall be paid to the District and shall be used to pay and redeem Bonds in accordance with the Indenture and to pay the Fees. The

Future Facilities Cost shall be retained in the Construction Fund. Upon the payment of the Prepayment to the District, the obligation to pay the Special Tax for the prepaying Parcel shall be deemed to be permanently satisfied, the Special Tax shall not be levied thereafter on the Parcel, and the District shall cause a notice of cancellation of the Special Tax lien for such Parcel to be recorded.

Notwithstanding the foregoing, no prepayment of the Special Tax obligation for any Parcel shall be allowed unless the total amount of the Special Tax that could be levied on all Parcels of Taxable Property pursuant to Section D after the proposed prepayment would be at least equal to the sum of (i) the Administrative Expenses and (ii) an amount equal to one hundred ten percent (110%) of annual debt service on the Bonds which will remain outstanding following the redemption of Bonds with the Prepayment.

2. Prepayment in Part

An owner of not less than 15 Parcels of Residential Property or the owner of a Parcel of Residential Property upon which not less than 15 Dwelling Units will be constructed may partially prepay the obligation of all such Parcels or such Parcel to pay the Special Tax by the same percentage for each such Parcel or Dwelling Unit (a “Partial Prepayment”). An owner of a single Parcel of Residential Property that has been or will be improved with a single Dwelling Unit will not be allowed to make a Partial Prepayment for the Parcel. The owner of a Parcel of Undeveloped Property for which a building permit has been issued which will not cause the Parcel to be Residential Property may partially prepay the obligation of the Parcel to pay the Special Tax obligation (also a “Partial Prepayment”). However, no Partial Prepayment shall be allowed if there are delinquent Special Taxes for the Parcel or any other Parcel which is also owned by the owner of the Parcel or Parcels proposing the Partial Prepayment.

An owner of such a Parcel intending to prepay a portion of the Special Tax obligation for the Parcel shall provide the District with written notice of intent to prepay and the percentage of the Special Tax obligation to be prepaid. Within 30 days of receipt of such written notice, the District shall notify such owner of the Partial Prepayment amount for such Parcel and the date through which the amount of such Partial Prepayment shall be valid.

The amount of the Partial Prepayment shall be calculated pursuant to Section G.1. and the following formula:

$$PP = (Pe \times F) + A$$

The abbreviated terms in this formula have the following meanings:

- PP= the Partial Prepayment
- Pe= the Prepayment amount calculated according to Section G.1.
- F= the percent by which the owner of the Parcel is partially prepaying the Special Tax obligation.
- A= the Fees determined in Section G.1.

The Partial Prepayment, exclusive of the portion thereof attributable to the Future Facilities Cost, shall be paid to the District and shall be used to pay and redeem Bonds in accordance with the Indenture and to pay the Fees. The portion of the Partial Prepayment attributable to the Future Facilities Cost shall be retained in the Construction Fund. Upon the payment of the Partial Prepayment to the District, the portion of the Special Tax equal to the outstanding

percentage (1.00 – F) of the remaining Special Tax obligation shall continue to be authorized to be levied on such Parcel pursuant to Section D.

Notwithstanding the foregoing, no Partial Prepayment shall be allowed unless the total amount of the Special Tax that could be levied on all Parcels of Taxable Property pursuant to Section D after the proposed Partial Prepayment would be at least equal to the sum of (i) the Administrative Expenses and (ii) an amount equal to one hundred ten percent (110%) of annual debt service on the Bonds which will remain outstanding following the redemption of Bonds with the Partial Prepayment.

I. TERM OF SPECIAL TAX

For each year that any Bonds are outstanding the Special Tax shall be levied on all Parcels of Taxable Property. No Special Tax shall be levied on any Parcel after the 2042-2043 Fiscal Year.

J. RELIEF FROM ALTERNATIVE SPECIAL TAX

All Parcels will be relieved simultaneously and permanently from the obligation to pay and disclose the Alternate Special Tax if the Board determines that the total amount of the Special Taxes which could be levied in any Fiscal Year on all Parcels of Developed Property based on the Assigned Special Tax for such Parcels would be equal to at least 110 percent of maximum annual debt service on the outstanding Bonds plus estimated annual Administrative Expenses in any such Fiscal Year with respect to the outstanding Bonds which have been issued.

**AMENDED AND RESTATED
RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR
IMPROVEMENT AREAS NOS. 1, 2 AND 3 OF
COMMUNITY FACILITIES DISTRICT NO. 15
(MISSION RANCH)
RIVERSIDE UNIFIED SCHOOL DISTRICT**

Special Taxes (defined below) shall be levied on all Parcels (defined below) located within the boundaries of Improvement Area No. 1, Improvement Area No. 2 and Improvement Area No. 3 (defined below) of Community Facilities District No. 15 (Mission Ranch) of Riverside Unified School District (“CFD No. 15”). The amount of Special Tax to be levied on a Parcel in any Fiscal Year (defined below) shall be determined by the Board of Education of Riverside Unified School District (the “Board” and the “District”), in accordance with the rates and method of apportionment of the Special Taxes described below. All of the property in CFD No. 15, unless exempted by law or Section E shall be taxed for the purposes, to the extent, and in the manner provided herein.

A. DEFINITIONS

“**Act**” means the Mello-Roos Community Facilities Act of 1982, being Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California.

“**Administrative Expenses for IA No. 1**” means the following actual or reasonably estimated costs directly related to the administration of IA No. 1: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the District, CFD No. 15, or an agent thereof); the costs of collecting the Special Taxes (whether by the District or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the District, CFD No. 15 or any agent thereof in complying with arbitrage rebate requirements; the costs to the District, CFD No. 15 or any agent thereof in complying with District or CFD No. 15 disclosure requirements associated with applicable federal and state securities laws and the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquires regarding the Special Taxes; the costs associated with the release of funds from an escrow account associated with the Bonds issued for IA No. 1; and the District’s and CFD No. 15’s annual administration fees and third party expenses associated with IA No. 1. Administrative Expenses shall also include amounts estimated or advanced by the District or CFD No. 15 for any other administrative purposes of the District or CFD No. 15 related to IA No. 1, including attorney’s fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes in IA No. 1.

“**Administrative Expenses for IA No. 2**” means the following actual or reasonably estimated costs directly related to the administration of IA No. 2: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the District, CFD No. 15, or an agent thereof); the costs of collecting the Special Taxes (whether by the District or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the District or CFD 15 or any agent thereof in complying with arbitrage rebate requirements; the costs to the District, CFD No. 15 or any agent thereof in complying with District or CFD No. 15 disclosure requirements associated with applicable federal and state securities laws and the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquires regarding the Special Taxes; the costs associated with the release of funds from an escrow account associated with the Bonds issued for IA No. 2; and the District’s and CFD No. 15’s annual administration fees and third party expenses associated with IA No. 2. Administrative Expenses shall also include amounts estimated or advanced by the District or CFD No. 15 for any other administrative purposes of the

District or CFD No. 15 related to IA No. 2 including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes in IA No. 2.

“Administrative Expenses for IA No. 3” means the following actual or reasonably estimated costs directly related to the administration of IA No. 3: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the District, CFD No. 15, or an agent thereof); the costs of collecting the Special Taxes (whether by the District or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the District or CFD 15 or any agent thereof in complying with arbitrage rebate requirements; the costs to the District, CFD No. 15 or any agent thereof in complying with District or CFD No. 15 disclosure requirements associated with applicable federal and state securities laws and the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquires regarding the Special Taxes; the costs associated with the release of funds from an escrow account associated with the Bonds issued for IA No. 3; and the District's and CFD No. 15's annual administration fees and third party expenses associated with IA No. 3. Administrative Expenses shall also include amounts estimated or advanced by the District or CFD No. 15 for any other administrative purposes of the District or CFD No. 15 related to IA No. 3 including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes in IA No. 3.

“Alternate Special Tax” means the applicable alternate special tax of a Parcel as calculated pursuant to Section C.1.c., Section C.2.c., or Section C.3.c., as applicable.

“Assessor's Parcel Map” means an official map of the Assessor of the County of Riverside designating Parcels by assessor's parcel number.

“Assigned Special Tax Rate” means the applicable assigned special tax rate of a Parcel specified in Table 1, Table 2 or Table 3 in Section C, as applicable.

“Attached Dwelling Unit” means a Dwelling Unit that consists or will consist of a building or buildings in which each of the individual Dwelling Units has at least one common wall with another Dwelling Unit.

“Attached Residential Property” means all Parcels of Developed Property for which a building permit has been issued for purposes of constructing an Attached Dwelling Unit.

“Bonds” means the bonds of CFD No. 15, which are issued for IA No. 1, IA No. 2 or IA No. 3, or any combination thereof.

“Detached Dwelling Unit” means a Dwelling Unit that is not an Attached Dwelling Unit.

“Detached Residential Property” means all Parcels of Developed Property for which a building permit has been issued for purposes of constructing a Detached Dwelling Unit.

“Developed Property” means for any Fiscal Year all Taxable Property, exclusive of Taxable Property Owner Association Property and Taxable Public Property, for which a building permit was issued as of March 1 of the prior Fiscal Year.

“Dwelling Unit” means any residential structure including, but not limited to apartments, condominiums, townhouses, or single-family detached houses, offered for rent or for sale for which a building permit was issued as of March 1 of the prior Fiscal Year.

“Exempt Property” means any Parcel or other property within IA No. 1, IA No. 2, or IA No. 3 that is exempt from the levy of Special Taxes pursuant to Section E or the Act.

“Final Map” means a subdivision of property by recordation of a final map, parcel map, or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code Section 1352 that creates individual lots for which building permits may be issued without further subdivision.

“Fiscal Year” means the twelve month period starting on July 1 of any calendar year and ending the following June 30.

“Improvement Area No. 1” or “IA No. 1” means all Parcels included in the area identified as Improvement Area No. 1 on the recorded boundary map for CFD No. 15.

“Improvement Area No. 2” or “IA No. 2” means all Parcels included in the area identified as Improvement Area No. 2 on the recorded boundary map for CFD No. 15.

“Improvement Area No. 3” or “IA No. 3” means all Parcels included in the area identified as Improvement Area No. 3 on the recorded boundary map for CFD No. 15.

“Indenture” means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing, amending or supplementing the same.

“Maximum Special Tax” means the maximum Special Tax, determined in accordance with Section C that can be levied by the Board in any Fiscal Year on any Parcel.

“Net Taxable Acre or Acreage” means that acreage shown on the Assessor’s Parcel Map for each Parcel, exclusive of property exempt from the Special Tax pursuant to the Act or Section E. In the event that the Assessor’s Parcel Map shows no acreage for a Parcel, the Net Taxable Acreage for the Parcel shall be as shown on or determined from the Final Map or a functionally equivalent map or document for the Parcel.

“Non-Residential Property” means all Parcels of Developed Property for which a building permit has been issued for the construction of a building that is not a Dwelling Unit.

“Parcel” means a lot or parcel shown on an Assessor’s Parcel Map with an assigned assessor’s parcel number as of the date of the levy of the Special Taxes for each Fiscal Year.

“Property Owner Association Property” means any property within the boundaries of CFD No. 15 owned by or dedicated to a property owner association, including any master or sub-association.

“Proportionately” means for Parcels of Detached Residential Property that the ratio of the actual Special Tax levy to the Assigned Special Tax Rate is the same for all Parcels of Detached Residential Property. For Parcels of Attached Residential Property, Non-Residential Property, Undeveloped Property, Taxable Property Owner Association Property, and Taxable Public Property, “Proportionately” means that the ratio of the actual Special Tax levy per Net Taxable Acre to the Maximum Special Tax per Net Taxable Acre is the same for all Parcels of Attached Residential Property, Non-Residential Property, Undeveloped Property, Taxable Property Owner Association Property or Taxable Public Property.

“Public Property” means any property within the boundaries of CFD No. 15 that is used for public rights-of-way or any other public purpose and is owned by or dedicated or irrevocably offered for

dedication to the federal government, the State of California, the County, or any other public agency; provided, however, that any property leased by a public agency; to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use.

“Residential Floor Space” means the square footage of a Detached Dwelling Unit, exclusive of garages, as shown on or calculated from the appropriate building records of the County of Riverside Building Department.

“Special Tax” or “Special Taxes” means the special tax to be levied in each Fiscal Year on each Parcel of Taxable Property to fund the Special Tax Requirement for Improvement Area No. 1, the Special Tax Requirement for Improvement Area No.2 or the Special Tax Requirement for Improvement Area No.3.

“Special Tax Requirement for Improvement Area No. 1” means the amount required in any Fiscal Year to: (i) pay debt service on all outstanding Bonds which is secured by Special Taxes levied on Parcels in IA No. 1; (ii) pay periodic costs with respect to such Bonds including but not limited to, credit enhancement and rebate payments; (iii) pay costs incurred by the District and CFD No. 15 in the annual levy and collection of the Special Taxes in IA No. 1; (iv) pay Administrative Expenses related to IA No. 1; (v) pay any amounts required, to establish or replenish any reserve fund established for such Bonds; and (vi) pay for anticipated delinquent Special Taxes in IA No. 1 based on the delinquency rate for the Special Taxes levied in IA No. 1 in the previous Fiscal Year taking into account any available funds as determined by the District.

“Special Tax Requirement for Improvement Area No. 2” means the amount required in any Fiscal Year to: (i) pay debt service on all outstanding Bonds which is secured by Special Taxes levied on Parcels in IA No. 2; (ii) pay periodic costs with respect to such Bonds including but not limited to, credit enhancement and rebate payments; (iii) pay costs incurred by the District and CFD No. 15 in the annual levy and collection of the Special Taxes in IA No. 2; (iv) pay Administrative Expenses related to IA No. 2; (v) pay any amounts required, to establish or replenish any reserve fund established for such Bonds; and (vi) pay for anticipated delinquent Special Taxes in IA No. 2 based on the delinquency rate for the Special Taxes levied in IA No. 2 in the previous Fiscal Year taking into account any available funds as determined by the District.

“Special Tax Requirement for Improvement Area No. 3” means the amount required in any Fiscal Year to: (i) pay debt service on all outstanding Bonds which is secured by Special Taxes levied on Parcels in IA No. 3; (ii) pay periodic costs with respect to such Bonds including but not limited to, credit enhancement and rebate payments; (iii) pay costs incurred by the District and CFD No. 15 in the annual levy and collection of the Special Taxes in IA No. 3; (iv) pay Administrative Expenses related to IA No. 3; (v) pay any amounts required, to establish or replenish any reserve fund established for such Bonds; and (vi) pay for anticipated delinquent Special Taxes in IA No. 3 based on the delinquency rate for the Special Taxes levied in IA No. 3 in the previous Fiscal Year taking into account any available funds as determined by the District.

“Taxable Property” mean all Parcels within IA No. 1, IA No. 2 or IA No. 3 that are not Exempt Property.

“Taxable Property Owner Association Property” means all Parcels of Property Owner Association Property that are not exempt pursuant to Section E.

“Taxable Public Property” means all Parcels of Public Property that are not exempt pursuant to Section E.

“Trustee” means the trustee or fiscal agent under the Indenture.

“Undeveloped Property” means all Taxable Property not classified as Developed Property, Taxable Property Owner Association Property or Taxable Public Property.

B. CLASSIFICATION OF PARCELS

For each Fiscal Year (commencing with the 2004-2005 Fiscal Year) all Parcels within IA No. 1, IA No. 2 and IA No. 3 shall be classified as Developed Property, Taxable Public Property, Taxable Property Owner Association Property, Undeveloped Property or Exempt Property and shall be subject to the levy of Special Taxes in accordance with the rates and method of apportionment of the Special Taxes as set forth in Sections C and D.

For purposes of determining the applicable Maximum Special Tax pursuant to Section C, Parcels of Developed Property within IA No. 1, IA No. 2 and IA No. 3 shall be assigned to a Land Use Category as specified in Table 1, Table 2 or Table 3. Within IA No. 1 Parcels of Detached Residential Property shall be assigned to Land Use Category 1, 2, 3, 4, 5, 6, or 7 as specified in Table 1, based upon the Residential Floor Space of the Dwelling Unit(s) on or to be constructed on a Parcel as provided in the most recent building permit issued for such Parcel. Within IA No. 2 and IA No. 3, Parcels of Detached Residential Property shall be assigned to Land Use Category 1, 2, 3, 4, 5, or 6 as specified in Table 2 or Table 3, as appropriate, based upon the Residential Floor Space of the Dwelling Unit(s) on or to be constructed on a Parcel as provided in the most recent building permit issued for such Parcel. Within IA No. 1 Parcels of Attached Residential Property and Parcels of Non-Residential Property shall be assigned to Land Use Category 8 or 9 as specified in such table. Within IA No. 2 and IA No. 3 Parcels of Attached Residential Property and Parcels of Non-Residential Property shall be assigned to Land Use Category 7 or 8 as specified in such tables.

C. MAXIMUM SPECIAL TAX RATES

1. Improvement Area No. 1

a. Developed Property

The Maximum Special Tax for each Parcel of Developed Property classified as Detached Residential Property in Improvement Area No. 1 shall be the greater of (i) the amount determined by multiplying the Dwelling Unit(s) on or to be constructed on the Parcel by the applicable Assigned Special Tax Rate per Dwelling Unit specified in Table 1, or (ii) the Alternate Special Tax.

The Maximum Special Tax for each Parcel of Developed Property classified as Attached Residential Property or Non-Residential Property shall be determined by multiplying the Net Taxable Acreage of the Parcel by the applicable Assigned Special Tax Rate as specified in Table 1.

Table 1
Assigned Special Tax Rates for Developed Property
Improvement Area No. 1

Land Use Category	Description	Residential Floor Space	Assigned Special Tax Rate
1	Detached Residential Property	> 4,000 sq. ft.	\$3,536 per Dwelling Unit
2	Detached Residential Property	> 3,700 and ≤ 4,000 sq. ft.	\$3,386 per Dwelling Unit
3	Detached Residential Property	> 3,400 and ≤ 3,700 sq. ft.	\$3,221 per Dwelling Unit
4	Detached Residential Property	> 3,100 and ≤ 3,400 sq. ft.	\$3,068 per Dwelling Unit
5	Detached Residential Property	> 2,800 and ≤ 3,100 sq. ft.	\$2,898 per Dwelling Unit
6	Detached Residential Property	> 2,500 and ≤ 2,800 sq. ft.	\$2,709 per Dwelling Unit
7	Detached Residential Property	≤ 2,500 sq. ft.	\$2,483 per Dwelling Unit
8	Attached Residential Property	N/A	\$14,786 per Net Taxable Acre
9	Non-Residential Property	N/A	\$14,786 per Net Taxable Acre

b. Taxable Property Owner Association Property, Taxable Public Property and Undeveloped Property

The Maximum Special Tax for each Parcel of Taxable Property Owner Association Property, Taxable Public Property or Undeveloped Property in Improvement Area No. 1 shall be determined by multiplying Net Taxable Acreage of the Parcel by \$14,786.

c. Alternate Special Tax

At the time a Final Map is recorded, the Alternate Special Tax for all Parcels of Developed Property classified or to be classified as Detached Residential Property within such Final Map shall be determined by multiplying the total Net Taxable Acreage of Taxable Property, excluding the Net Taxable Acreage of Attached Residential Property and Non-Residential Property, if any, in such Final Map, by \$14,786 and dividing the product by the total number of Dwelling Units within such Final Map.

Notwithstanding the foregoing, if all or any portion of a Final Map is subsequently changed or modified, then the Alternate Special Tax for each Parcel of Developed Property classified or to be classified as Detached Residential Property in such Final Map that is changed or modified shall be a rate per square foot of Net Taxable Acre calculated as follows:

1. Determine the total Alternate Special Tax anticipated to apply to the changed or modified portion of the Final Map prior to the change or modification.
2. Divide the amount determined pursuant to paragraph 1 above by the Net Taxable Acreage of Parcels of Detached Residential Property which are expected to be located in such changed or modified portion of the Final Map, as determined by the District.
3. Divide the quotient derived pursuant to paragraph 2 above by 43,560. The resulting quotient is the Alternate Special Tax per square foot which shall be applicable to Parcels of Detached Residential Property in such changed or

modified portion of the Final Map for all remaining Fiscal Years in which the Special Tax may be levied.

2. Improvement Area No. 2

a. Developed Property

The Maximum Special Tax for each Parcel of Developed Property classified as Detached Residential Property in Improvement Area No. 2 shall be the greater of (i) the amount determined by multiplying the Dwelling Unit(s) on or to be constructed on the Parcel by the applicable Assigned Special Tax Rate per Dwelling Unit specified in Table 2, or (ii) the Alternate Special Tax.

The Maximum Special Tax for each Parcel of Developed Property classified as Attached Residential Property or Non-Residential Property shall be determined by multiplying the Net Taxable Acreage of the Parcel by the applicable Assigned Special Tax Rate for Non-Residential Property as specified in Table 2.

**Table 2
Assigned Special Tax Rates for Developed Property
Improvement Area No. 2**

Land Use Category	Description	Residential Floor Space	Assigned Special Tax Rate
1	Detached Residential Property	> 3,700 sq. ft.	\$4,289 per Dwelling Unit
2	Detached Residential Property	> 3,400 and ≤ 3,700 sq. ft.	\$4,194 per Dwelling Unit
3	Detached Residential Property	> 3,100 and ≤ 3,400 sq. ft.	\$3,665 per Dwelling Unit
4	Detached Residential Property	> 2,800 and ≤ 3,100 sq. ft.	\$3,484 per Dwelling Unit
5	Detached Residential Property	> 2,500 and ≤ 2,800 sq. ft.	\$3,405 per Dwelling Unit
6	Detached Residential Property	≤ 2,500 sq. ft.	\$3,247 per Dwelling Unit
7	Attached Residential Property	N/A	\$17,871 per Net Taxable Acre
8	Non-Residential Property	N/A	\$17,871 per Net Taxable Acre

b. Taxable Property Owner Association Property, Taxable Public Property and Undeveloped Property

The Maximum Special Tax for each Parcel of Taxable Property Owner Association Property, Taxable Public Property or Undeveloped Property in Improvement Area No. 2 shall be determined by multiplying the Net Taxable Acreage of the Parcel by \$17,871.

c. Alternate Special Tax

At the time a Final Map is recorded, the Alternate Special Tax for all Parcels of Developed Property classified or to be classified as Detached Residential Property within such Final Map shall be determined by multiplying the total Net Taxable Acreage of Taxable Property, excluding the Net Taxable Acreage of Attached Residential Property and Non-Residential Property, if any, in such Final Map by \$17,871 and dividing the product by the total number of Dwelling Units within such Final Map.

Notwithstanding the foregoing, if all or any portion of a Final Map is subsequently changed or modified, then the Alternate Special Tax for each Parcel of Developed Property classified or to be classified as Detached Residential Property in such Final Map area that is changed or modified shall be a rate per square foot of Net Taxable Acre calculated as follows:

1. Determine the total Alternate Special Tax anticipated to apply to the changed or modified portion of the Final Map prior to the change or modification.
2. Divide the amount determined pursuant to paragraph 1 by the Net Taxable Acreage of Parcels of Detached Residential Property which are expected to be located in such changed or modified portion of the Final Map, as determined by the District.
3. Divide the resulting quotient derived pursuant to paragraph 2 above by 43,560. The resulting quotient is the Alternate Special Tax per square foot of Acreage which shall be applicable to Parcels of Detached Residential Property in such changed or modified portion of the Final Map for all remaining Fiscal Years in which the Special Tax may be levied.

3. Improvement Area No. 3

a. Developed Property

The Maximum Special Tax for each Parcel of Development Property classified as Detached Residential Property in Improvement Area No. 3 shall be the greater of (i) the amount determined by multiplying the Dwelling Unit(s) on or to be constructed on the Parcel by the applicable Assigned Special Tax Rate per Dwelling Unit specified in Table 3, or (ii) the Alternate Special Tax.

The Maximum Special Tax for each Parcel of Developed Property classified as Attached Residential Property or Non-Residential Property shall be determined by multiplying the Net Taxable Acreage of the Parcel by the applicable Assigned Special Tax Rate as specified in Table 3.

**Table 3
Assigned Special Tax Rates for Developed Property
Improvement Area No. 3**

Land Use Category	Description	Residential Floor Space	Assigned Special Tax Rate
1	Detached Residential Property	> 3,700 sq. ft.	\$4,326 per Dwelling Unit
2	Detached Residential Property	> 3,400 and ≤ 3,700 sq. ft.	\$4,231 per Dwelling Unit
3	Detached Residential Property	> 3,100 and ≤ 3,400 sq. ft.	\$3,697 per Dwelling Unit
4	Detached Residential Property	> 2,800 and ≤ 3,100 sq. ft.	\$3,514 per Dwelling Unit
5	Detached Residential Property	> 2,500 and ≤ 2,800 sq. ft.	\$3,435 per Dwelling Unit
6	Detached Residential Property	≤ 2,500 sq. ft.	\$3,276 per Dwelling Unit
7	Attached Residential Property	N/A	\$17,011 per Net Taxable Acre
8	Non-Residential Property	N/A	\$17,011 per Net Taxable Acre

b. Taxable Property Association Property, Taxable Public Property and Undeveloped Property

The Maximum Special Tax for each Parcel of Taxable Property Owner Association Property, Taxable Public Property or Undeveloped Property in Improvement Area No. 3 shall be determined by multiplying Net Taxable Acreage of the Parcel by \$17,011.

c. Alternate Special Tax

At the time a Final Map is recorded, the Alternate Special Tax for all Parcels of Developed Property classified or to be classified as Detached Residential Property within such Final Map shall be determined by multiplying the total Net Taxable Acreage of Taxable Property, excluding the Net Taxable Acreage of Attached Residential Property and Non-Residential Property, if any, by \$17,011 and dividing the product by the total number of Dwelling Units within such Final Map.

Notwithstanding the foregoing, if all or any portion of a Final Map is subsequently changed or modified, then the Alternate Special Tax for each Parcel of Developed Property classified or to be classified as Detached Residential Property in such Final Map area that is changed or modified shall be a rate per square foot of Net Taxable Acre calculated as follows:

1. Determine the total Alternate Special Tax anticipated to apply to the changed or modified portion of the Final Map prior to the change or modification.
2. Divide the amount determined pursuant to paragraph 1 above by the Net Taxable Acreage of Parcels of Detached Residential Property which are expected to be located in such changed or modified portion of the Final Map, as determined by the District.
3. Divide the quotient derived pursuant to paragraph 2 above by 43,560. The resulting quotient is the Alternate Special Tax per square foot which shall be applicable to Parcels of Detached Residential Property in such changed or modified portion of the Final Map for all remaining Fiscal Years in which the Special Tax may be levied.

D. METHOD OF APPORTIONMENT AND LEVY OF THE SPECIAL TAX

Commencing with Fiscal Year 2004-2005 and for each subsequent Fiscal Year, the Board shall determine the Special Tax Requirement for Improvement Area No. 1, the Special Tax Requirement for Improvement Area No. 2, and the Special tax Requirement for Improvement Area No. 3 and shall levy the Special Tax as follows.

1. Apportionment and Levy of Special Tax for Improvement Area No. 1

First: The Special Tax shall be levied Proportionately on each Parcel of Developed Property in Improvement Area No.1 at up to 100 percent of the applicable Assigned Special Tax Rate to satisfy the Special Tax Requirement for Improvement Area No. 1.

Second: If additional monies are needed to satisfy the Special Tax Requirement for Improvement Area No. 1 after the first step has been completed, the Special Tax shall be

levied Proportionately on each Parcel of Undeveloped Property in Improvement Area No. 1 at up to 100 percent of the Maximum Special Tax for Undeveloped Property.

Third: If additional monies are needed to satisfy the Special Tax Requirement for Improvement Area No. 1 after the first two steps have been completed, the Special Tax to be levied on all Parcels of Developed Property in Improvement Area No.1, whose Maximum Special Tax is determined by application of the Alternate Special Tax, shall be Proportionately increased from the applicable Assigned Special Tax Rate up to 100 percent of the Maximum Special Tax.

Fourth: If additional monies are needed to satisfy the Special Tax Requirement for Improvement Area No. 1 after the first three steps have been completed, the Special Tax shall be levied Proportionately on all Parcels of Taxable Property Owner Association Property and Taxable Public Property in Improvement Area No. 1, up to 100 percent of the Maximum Special Tax for Taxable Property Owner Association Property and Taxable Public Property.

Notwithstanding the above, under no circumstances will the Special Tax levied against any Parcel of Detached Residential Property or Attached Residential Property for which an occupancy permit for private residential use has been issued be increased by more than ten percent (10%) as a consequence of delinquency or default by the owner of any other Parcel within IA No. 1.

2. Apportionment and Levy of Special Tax for Improvement Area No. 2

First: The Special Tax shall be levied Proportionately on each Parcel of Developed Property in Improvement Area No.2 at up to 100 percent of the applicable Assigned Special Tax Rate to satisfy the Special Tax Requirement for Improvement Area No. 2.

Second: If additional monies are needed to satisfy the Special Tax Requirement for Improvement Area No. 2 after the first step has been completed, the Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property in Improvement Area No. 2 at up to 100 percent of the Maximum Special Tax for Undeveloped Property.

Third: If additional monies are needed to satisfy the Special Tax Requirement for Improvement Area No. 2 after the first two steps have been completed, the Special Tax to be levied on all Parcels of Developed Property in Improvement Area No.2, whose Maximum Special Tax is determined by application of the Alternate Special Tax, shall be Proportionately increased from the applicable Assigned Special Tax Rate up to 100 percent of the Maximum Special Tax.

Fourth: If additional monies are needed to satisfy the Special Tax Requirement for Improvement Area No. 2 after the first three steps have been completed, the Special Tax shall be levied Proportionately on all Parcels of Taxable Property Owner Association Property and Taxable Public Property in Improvement Area No. 2, up to 100 percent of the Maximum Special Tax for Taxable Property Owner Association Property and Taxable Public Property.

Notwithstanding the above, under no circumstances will the Special Tax levied against any Parcel of Detached Residential Property or Attached Residential Property for which an occupancy permit for private residential use has been issued be increased by more than ten percent (10%) as a consequence of delinquent or default by the owner of any other Parcel within IA No. 2.

3. Apportionment and Levy of Special Tax for Improvement Area No. 3

First: The Special Tax shall be levied Proportionately on each Parcel of Developed Property in Improvement Area No. 3 at up to 100 percent of the applicable Assigned Special Tax Rate to satisfy the Special Tax Requirement for Improvement Area No. 3.

Second: If additional monies are needed to satisfy the Special Tax Requirement for Improvement Area No. 3 after the first step has been completed, the Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property in Improvement Area No. 3 at up to 100 percent of the Maximum Special Tax for Undeveloped Property.

Third: If additional monies are needed to satisfy the Special Tax Requirement for Improvement Area No. 3 after the first two steps have been completed, the Special Tax to be levied on all Parcels of Developed Property in Improvement Area No.3, whose Maximum Special Tax is determined by application of the Alternate Special Tax, shall be Proportionately increased from the applicable Assigned Special Tax Rate up to 100 percent of the Maximum Special Tax.

Fourth: If additional monies are needed to satisfy the Special Tax Requirement for Improvement Area No. 3 after the first three steps have been completed, the Special Tax shall be levied Proportionately on all Parcels of Taxable Property Owner Association Property and Taxable Public Property in Improvement Area No. 3, up to 100 percent of the Maximum Special Tax for Taxable Property Owner Association Property and Taxable Public Property.

Notwithstanding the above, under no circumstances will the Special Tax levied against any Parcel of Detached Residential Property or Attached Residential Property for which an occupancy permit for private residential use has been issued be increased by more than ten percent (10%) as a consequence of delinquent or default by the owner of any other Parcel within IA No. 3.

E. EXEMPTIONS

1. Improvement Area No. 1

The Board shall not levy Special Taxes on: (i) an acreage of Parcels of Public Property and Property Owner Association Property that will not reduce the Net Taxable Acreage of Parcels of Taxable Property within IA No. 1 to less than 101.14 Net Taxable Acres, and (ii) any Parcels for which the obligation to pay the Special Taxes has been prepaid in full pursuant to Section G.

Tax-exempt status for Parcels or portions of Parcels of Public Property and Property Owner Association Property will be irrevocably assigned by the District in the chronological order in which such Parcels or portions of Parcels become Exempt Property.

2. Improvement Area No. 2

The Board shall not levy Special Taxes on: (i) an acreage of Parcels of Public Property and Property Owner Association Property that will not reduce the Net Taxable Acreage of Parcels of Taxable Property within IA No. 2 to less than 91.13 Net Taxable Acres, and (ii) any Parcels for which the obligation to pay the Special Taxes has been prepaid in full Pursuant to Section G.

Tax-exempt status for Parcels or portions of Parcels of Public Property and Property Owner Association Property will be irrevocably assigned by the District in the chronological order in which such Parcels or portions of Parcels become Exempt Property.

3. Improvement Area No. 3

The Board shall not levy Special Tax on: (i) an acreage of Parcels of Public Property and Property Owner Association Property that will not reduce the Net Taxable Acreage of Parcels of Taxable Property within IA No. 3 to less than 81.04 Net Taxable Acres, and (ii) any Parcels for which the obligation to pay the Special taxes has been prepaid in full Pursuant to Section G.

Tax-exempt status for Parcels or portions of Parcels of Public Property and Property Owner Association Property will be irrevocably assigned by the District in the chronological order in which such Parcels or portions of Parcels become Exempt Property.

Notwithstanding the preceding provisions of this Section E, Parcels or portions of Parcels conveyed or irrevocably offered for dedication to federal, state or local governments after formation of CFD No. 15, and not otherwise exempt pursuant to this Section E, shall be subject to the Special Tax pursuant to Section 53317.3 or 53317.5 of the Act and classified as Taxable Public Property.

F. MANNER OF COLLECTION

The Special Taxes levied on Parcels of Taxable Property in IA No.1, IA No. 2 and IA No. 3 will be collected in the same manner and at the same time as regular ad valorem property taxes; provided, however, that prepayments are permitted as set forth in Section G; and provided further that the District may directly bill all or part of the Special Taxes, and may collect the Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of CFD No. 15. Furthermore, the Board may authorize the collection of delinquent Special Taxes by judicial foreclosure proceedings pursuant to Section 53356.1 of the Act.

G. PREPAYMENT AND SATISFACTION OF SPECIAL TAX OBLIGATION

1. Prepayment in Full

The Special Tax obligation for any Parcel of Developed Property or Undeveloped Property for which a building permit has been issued within IA No. 1, IA No. 2 or IA No. 3 may be prepaid and permanently satisfied as described herein, provided that a prepayment may be made only if at the time of the prepayment there are no delinquent Special Taxes with respect to such Parcel and all other Parcels which are under the same ownership and located within CFD No. 15. An owner of a Parcel intending to prepay the Special Tax obligation shall provide the District with written notice of intent to prepay. Within 30 days of receipt of such written notice, the District shall notify such owner of the prepayment amount for such Parcel and the date through which the amount of such prepayment shall be valid. Prepayment must be made not less than sixty (60) days prior to the next occurring date that notice of redemption of Bonds from the proceeds of such prepayment may be given to the trustee pursuant to the Indenture.

The following additional definitions apply to this section G.1:

“IA Future Facilities Cost” means the applicable CFD Public Facilities Amount minus (i) public facilities costs previously paid from the applicable IA No. 1, IA

No. 2, or IA No. 3 Construction Fund and (ii) moneys currently on deposit in the applicable IA No. 1, IA No. 2, or IA No. 3 Construction Fund; provided that in no event shall the IA Future Facilities Cost for any improvement area be less than zero.

“CFD Public Facilities Amount” means \$15,800,000 for IA No. 1, \$14,900,000 for IA No. 2, and \$12,500,000 for IA No. 3 expressed in 2005 dollars, which shall increase by the annual percentage change, but not less than zero percent, in the Construction Inflation Index on July 1, 2006, and on each July 1 thereafter, or such lower amount as is determined by the District as being sufficient to provide the public facilities.

“Construction Fund” means a fund or account specifically identified in the Indenture to hold funds which are available to acquire or construct public facilities for CFD No. 15.

“Construction Inflation Index” means the Marshall and Swift Class D Wood Frame Construction Index, measured as of the calendar year which ends in the previous Fiscal Year. In the event that index ceases to be published, the Construction Inflation Index shall be another index which is determined by the District to be reasonably comparable to that index.

“Outstanding Bonds” means all Bonds secured by the levy of Special Taxes in IA No. 1, IA No. 2 or IA No. 3, as applicable which will remain outstanding after the first interest and/or principal payment date following the then current Fiscal Year, excluding Bonds to be redeemed at a later date with the proceeds of prior prepayments of the Special Tax obligation.

“Prepayment” means an amount equal to the sum of (1) Principal, (2) Premium, (3) Prepaid Future Facilities Cost, (4) Defeasance, and (5) Fees minus (A) Reserve Fund Credit and (B) Capitalized Interest Credit, where the terms “Principal,” “Premium,” “Prepaid Future Facilities Cost,” “Defeasance,” “Fees,” “Reserve Fund Credit,” and “Capitalized Interest Credit” have the following meanings:

“Principal” means the principal amount of Bonds to be redeemed with the proposed prepayment and equals the quotient derived by dividing (a) the total amount of Special Tax that could be collected if the Special Tax were levied on the Parcel intending to prepay at the Maximum Special Tax for the Parcel by (b) the total amount of Special Tax that could be collected if the Special Tax were levied on all Parcels of Taxable Property in IA No. 1, IA No. 2 or IA No. 3, as applicable at the Maximum Special Tax for all such Parcels assuming full build out as determined by the District, and by multiplying that quotient by the portion of the principal amount of the Outstanding Bonds the debt service on which is payable from Special Taxes levied on Parcels of Taxable Property in IA No. 1, IA No. 2 or IA No. 3, as applicable.

“Premium” means an amount equal to the Principal multiplied by the redemption premium, if any, for the Bonds which will be redeemed with the prepayment.

“Prepaid Future Facilities Cost” means the amount of future facilities to be funded through the proposed Prepayment and equals the product of the applicable IA Future Facilities Cost and the quotient derived by dividing (a) the total amount of Special Tax that could be collected if the Special Tax were levied on the Parcel intending to prepay at the Maximum Special Tax for the Parcel by (b) the total amount of Special

Tax that could be collected if the Special Tax were levied on all Parcels of Taxable Property in IA No. 1, IA No. 2, or IA No. 3, as applicable at the Maximum Special Tax for all such Parcels assuming full build out as determined by the District.

“Defeasance” means the amount needed to pay interest on the Principal until the earliest redemption date for the Outstanding Bonds less the earnings from the investment of the amount of the Principal less the Fees until the redemption date for the Outstanding Bonds to be redeemed with the Prepayment. Credit shall also be given for any Special Tax which has been paid for the Parcel intending to prepay but which has not yet been expended for purposes of the Special Tax Requirement for Improvement Area No. 1, Improvement Area No. 2 or Improvement Area No. 3, as applicable.

“Fees” means administrative fees and expenses associated with the prepayment as calculated by or on behalf of the District including, but not limited to, the costs of computing the Prepayment, the costs of removing any Special Taxes from the tax roll, the costs of redeeming the Bonds, and the costs of recording and publishing any notices to evidence the Prepayment and the redemption of Bonds.

“Reserve Fund Credit” means the lesser of (i) the expected reduction in the applicable Reserve Requirement (as defined in the Indenture) following the redemption of Bonds with the Prepayment or (ii) the amount derived by subtracting the new Reserve Requirement which will be in effect after the redemption of Bonds with the Prepayment from the amount on deposit in the Reserve Fund (as defined in the Indenture) on the prepayment date, but in no event shall such amount be less than zero.

“Capitalized Interest Credit” means the pro rata amount of capitalized interest, if any, on the Bonds which is allocable to the Parcel intending to prepay the Special Tax obligation determined by dividing (a) the total amount of Special Tax revenues that could be collected if the Special Tax were levied on the Parcel in an amount equal to the Maximum Special Tax for the Parcel by (b) the total amount of Special Tax that could be collected if the Special Tax were levied on all Parcels of Taxable Property in IA No. 1, IA No. 2 or IA No. 3, as applicable (except Parcels which have prepaid the Special Tax obligation) in an amount equal to the Maximum Special Tax for all such Parcels, and by multiplying that quotient by the remaining amount of capitalized interest which is allocable to IA No. 1, IA No. 2 or IA No. 3, as applicable.

The Prepayment, exclusive of the Future Facilities Cost, shall be paid to the District and shall be used to pay and redeem Bonds in accordance with the Indenture and to pay the Fees. The Future Facilities Cost shall be retained in the Construction Fund. Upon the payment of the Prepayment to the District, the obligation to pay the Special Tax for the prepaying Parcel shall be deemed to be permanently satisfied, the Special Tax shall not be levied thereafter on the Parcel, and the District shall cause a notice of cancellation of the Special Tax lien for such Parcel to be recorded.

Notwithstanding the foregoing, no Prepayment shall be allowed unless the total amount of the Special Tax that could be levied on all Parcels of Taxable Property in IA No. 1, IA No. 2, or IA No. 3, as applicable, pursuant to Section D after the proposed prepayment would be at least equal to the sum of (i) the Administrative Expenses allocable to IA No. 1, IA No. 2 or IA No. 3 and (ii) an amount equal to one hundred ten percent (110%) of annual debt service on the Bonds issued for IA No. 1, IA No. 2 or IA No. 3, as applicable, which will remain

outstanding for, as applicable, which will remain outstanding following the redemption of Bonds with the Prepayment.

2. Prepayment in Part

An owner of not less than 15 Parcels of Detached Residential Property and/or Attached Residential Property or the owner of a Parcel of Detached Residential Property or a Parcel of Attached Residential Property upon which not less than 15 Dwelling Units will be constructed may partially prepay the obligation of all such Parcels or such Parcel to pay the Special Tax by the same percentage for each such Parcel or Dwelling Unit (a "Partial Prepayment"). An owner of a single Parcel of Detached Residential Property that has been or will be improved with a single Dwelling Unit will not be allowed to make a Partial Prepayment for the Parcel. The owner of a Parcel of Non-Residential Property or the owner of a Parcel of Undeveloped Property for which a building permit has been issued which will not cause the Parcel to be Detached Residential Property may partially prepay the obligation of the Parcel to pay the Special Tax obligation (also a "Partial Prepayment"). However, no Partial Prepayment shall be allowed if there are delinquent Special Taxes for the Parcel or any other Parcel which is also owned by the owner of the Parcel or Parcels proposing the Partial Prepayment.

An owner of such a Parcel intending to prepay a portion of the Special Tax obligation for the Parcel shall provide the District with written notice of intent to prepay and the percentage of the Special Tax obligation to be prepaid. Within 30 days of receipt of such written notice, the District shall notify such owner of the Partial Prepayment amount for such Parcel and the date through which the amount any such Partial Prepayment shall be valid.

The amount of the Partial Prepayment shall be calculated pursuant to Section G.1. and the following formula:

$$PP = (Pe \times F) + A$$

The abbreviated terms in this formula have the following meanings:

PP= the Partial Prepayment

Pe= the Prepayment amount calculated according to Section G.1.

F= the percent by which the owner of the Parcel is partial prepaying the Special Tax obligation.

A= the Fees determined in Section G.1.

The Partial Prepayment, exclusive of the portion thereof attributable to the Future Facilities Cost, shall be paid to the District and shall be used to pay and redeem Bonds in accordance with the Indenture and to pay the Fees. The portion of the Partial Prepayment attributable to Future Facilities Cost shall be retained in the Construction Fund. Upon the payment of the Partial Prepayment to the District, the portion of the Special Tax equal to the outstanding percentage $(1.00 - F)$ of the remaining Special Tax obligation shall continue to be authorized to be levied on such Parcel pursuant to Section D.

Notwithstanding the foregoing, no Partial Prepayment shall be allowed unless the total amount of the Special Tax that could be levied on all Parcels of Taxable Property in IA No. 1, IA No. 2 or IA No. 3, as applicable, pursuant to Section D after the proposed Partial Prepayment would be at least equal to the sum of (i) the Administrative Expenses allocable to IA No. 1, IA No. 2 or IA No. 3 and (ii) an amount equal to one hundred ten percent (110%) of annual debt service on the Bonds, which will remain outstanding for IA No. 1, IA No. 2 or IA No. 3 following the redemption of Bonds with the Partial Prepayment.

I. TERM OF SPECIAL TAX

For each year that any Bonds are outstanding the Special Tax shall be levied on all Parcels subject to the Special Tax. No Special Tax shall be levied on any Parcel after the 2040-2041 Fiscal Year.

J. RELIEF FROM ALTERNATIVE SPECIAL TAX

All Parcels within IA No. 1, IA No. 2 or IA No. 3 will be relieved simultaneously and permanently from the obligation to pay and disclose the Alternate Special Tax if the Board determines that the total amount of the Special Taxes which could be levied in any Fiscal Year on all Parcels of Developed Property in IA No. 1, IA No. 2 or IA No. 3, as applicable, based on the Assigned Special Tax Rates for such Parcels would be equal to at least 110 percent of maximum annual debt service on the outstanding Bonds which have been issued for IA No. 1, IA No. 2, and IA No. 3, plus estimated Administrative Expenses for IA No. 1, IA No. 2 or IA No. 3, as applicable.

**RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR
COMMUNITY FACILITIES DISTRICT NO. 17 (ALDEA VILLAGE) OF
RIVERSIDE UNIFIED SCHOOL DISTRICT**

Special Taxes (defined below) shall be levied on all Parcels (defined below) located within the boundaries of Community Facilities District No. 17 (Aldea Village) of Riverside Unified School District (“CFD No. 17”). The amount of Special Tax to be levied on a Parcel in any Fiscal Year (defined below) shall be determined by the Board of Education of Riverside Unified School District (the “Board” and the “District”), in accordance with the rates and method of apportionment of the Special Taxes described below. All of the property in CFD No. 17, unless exempted by law or Section E, shall be taxed for the purposes, to the extent, and in the manner provided herein.

A. DEFINITIONS

“**Act**” means the Mello-Roos Community Facilities Act of 1982, being Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California.

“**Administrative Expenses**” means the following actual or reasonably estimated costs directly related to the administration of CFD No. 17: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the District, CFD No. 17, or an agent thereof); the costs of collecting the Special Taxes (whether by the District or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the District, CFD No. 17 or an agent thereof in complying with arbitrage rebate requirements; the costs to the District, CFD No. 17 or an agent thereof in complying with District or CFD No. 17 disclosure requirements associated with applicable federal and state securities laws and the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquires regarding the Special Taxes; the costs of the District, CFD No. 17 or an agent thereof related to an appeal of the Special Tax; the costs associated with the release of funds from an escrow account; and the District’s and CFD No. 17’s annual administration fees and related expenses. Administrative Expenses shall also include amounts estimated or advanced by the District or CFD No. 17 for any other administrative purposes of CFD No. 17 including attorney’s fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

“**Alternate Special Tax**” means the applicable alternate special tax for a Parcel as calculated pursuant to Section C.3.

“**Assessor’s Parcel Map**” means an official map of the Assessor of the County of Riverside designating Parcels by assessor’s parcel number.

“**Assigned Special Tax Rate**” means the applicable assigned special tax rate for a Parcel specified in Table 1 in Section C, as applicable.

“**Bonds**” means the bonds of CFD No. 17.

“**Developed Property**” means for any Fiscal Year all Taxable Property, exclusive of Public Property and Property Owner Association Property, for which a building permit was issued as of March 1 of the prior Fiscal Year.

“**Dwelling Unit**” means any residential structure including, but not limited to apartments, condominiums, townhouses, or single-family detached houses, offered for rent or for sale for which a building permit was issued as of March 1 of the prior Fiscal Year.

“Exempt Property” means any Parcel within CFD No. 17 that is exempt from the levy of Special Taxes pursuant to Section E or the Act.

“Final Map” means a subdivision of property by recordation of a final map, parcel map, or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code Section 1352 that creates individual lots for which building permits may be issued without further subdivision.

“Fiscal Year” means the twelve month period starting on July 1 of any calendar year and ending the following June 30.

“Indenture” means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing, amending or supplementing the same.

“Maximum Special Tax” means the maximum Special Tax, determined in accordance with Section C that can be levied by the Board in any Fiscal Year on any Parcel.

“Net Taxable Acre or Acreage” means that acreage shown on the Assessor’s Parcel Map for each Parcel, exclusive of property exempt from the Special Tax pursuant to the Act or Section E below. In the event that the Assessor’s Parcel Map shows no acreage for a Parcel, the Net Taxable Acreage for the Parcel shall be as shown on or determined from the recorded Final Map or a functionally equivalent map or document for the Parcel.

“Non-Residential Property” means all Parcels of Developed Property for which a building permit has been issued for the construction of a building that is not a Dwelling Unit.

“Parcel” means a lot or parcel shown on an Assessor’s Parcel Map with an assigned assessor’s parcel number as of the date of the levy of the Special Taxes for each Fiscal Year.

“Property Owner Association Property” means any property within the boundaries of CFD No. 17 owned by or dedicated to a property owner association, including any master or sub-association.

“Proportionately” means for Parcels of Residential Property that the ratio of the actual Special Tax levy to the Assigned Special Tax Rate is the same for all Parcels of Residential Property. For Parcels of Non-Residential Property and Parcels of Undeveloped Property, “Proportionately” means that the ratio of the actual Special Tax levy per Net Taxable Acre to the Maximum Special Tax per Net Taxable Acre is the same for all Parcels of Non-Residential Property or Parcels of Undeveloped Property.

“Public Property” means any property within the boundaries of CFD No. 17 that is used for public rights-of-way or any other public purpose and is owned by or dedicated or irrevocably offered for dedication to the federal government, the State of California, the County of Riverside, or any other public agency; provided, however, that any property leased by a public agency; to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use.

“Residential Floor Space” means the square footage of a Dwelling Unit, exclusive of garages, as shown on or calculated from the appropriate building records of the City of Riverside Building Department.

“Residential Property” means all Parcels of Developed Property upon which a Dwelling Unit is located or for which a building permit has been issued for the purpose of constructing a Dwelling Unit.

“Special Tax” means the special tax to be levied in each Fiscal Year on each Parcel of Taxable Property to fund the Special Tax Requirement.

“Special Tax Requirement” means the amount required in any Fiscal Year to pay (1) debt service on all outstanding Bonds, (2) Administrative Expenses, and (3) any amounts required, to the extent permitted by the Maximum Special Tax for all Parcels of Taxable Property, to create, maintain, or replenish any reserve fund established for the outstanding Bonds.

“Taxable Property” means all Parcels that are not Exempt Property.

“Taxable Property Owner Association Property” means all Parcels of Property Owner Association Property that are not exempt pursuant to Section E.

“Taxable Public Property” means all Parcels of Public Property that are not exempt pursuant to Section E.

“Trustee” means the trustee or fiscal agent under the Indenture.

“Undeveloped Property” means all Parcels of Taxable Property which are not classified as Developed Property, Taxable Public Property or Taxable Property Owner Association Property.

B. CLASSIFICATION AND ASSIGNMENT TO LAND USE CATEGORY

For each Fiscal Year (commencing with the 2004-05 Fiscal Year) all Parcels shall be classified as Developed Property, Taxable Public Property, Taxable Property Owner Association Property, Undeveloped Property, or Exempt Property, and shall be subject to the levy of Special Taxes in accordance with the rates and method of apportionment of the Special Taxes as set forth in Sections C and D. Parcels of Developed Property shall be further classified as Residential Property or Non-Residential Property.

For purposes of determining the applicable Maximum Special Tax pursuant to Section C, Parcels of Developed Property shall be assigned to a Land Use Category as specified in Table 1. Parcels of Residential Property shall be assigned to Land Use Category 1, 2 or 3, as specified in Table 1, based upon the Residential Floor Space of the Dwelling Unit(s) on or to be constructed on a Parcel. Parcels of Non-Residential Property shall be assigned to Land Use Category 4.

C. MAXIMUM SPECIAL TAX

1. Developed Property

a. Maximum Special Tax

The Maximum Special Tax for each Parcel of Developed Property classified as Residential Property shall be the greater of (i) the amount determined by multiplying the number of Dwelling Unit(s) on or to be constructed on the Parcel by the applicable Assigned Special Tax Rate per Dwelling Unit specified in Table 1 below, or (ii) the Alternate Special Tax.

b. Assigned Special Tax Rates

The Fiscal Year 2004-05 Assigned Special Tax Rate for each Land Use Category of Developed Property is shown below in Table 1.

Table 1
Assigned Special Tax Rates

Land Use Category	Description	Residential Floor Space	Assigned Special Tax Rate
1	Residential Property	≥ 2,000 sq. ft.	\$1,859.75 per Dwelling Unit
2	Residential Property	1,500 - 1,999 sq. ft.	\$1,635.30 per Dwelling Unit
3	Residential Property	< 1,500 sq. ft.	\$1,410.85 per Dwelling Unit
4	Non-Residential Property	N/A	\$25,959 per Net Taxable Acre

c. Increase in the Assigned Special Tax

On each July 1, commencing on July 1, 2005, the Assigned Special Tax shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

2. Taxable Property Owner Association Property, Taxable Public Property and Undeveloped Property

a. Maximum Special Tax

The Fiscal Year 2004-05 Maximum Special Tax for each Parcel of Taxable Public Property, Taxable Property Owner Association Property and Undeveloped Property shall be determined by multiplying Net Taxable Acreage of the Parcel by \$25,959.

b. Increase in the Maximum Special Tax

On each July 1, commencing on July 1, 2005, the Maximum Special Tax for Taxable Property Owner Association Property, Taxable Public Property and Undeveloped Property shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

3. Alternate Special Tax

a. Alternate Special Tax

At the time a Final Map is recorded, the Alternate Special Tax for all Parcels of Developed Property classified or to be classified as Residential Property within such Final Map shall be determined by multiplying the total Net Taxable Acreage of Taxable Property in such Final Map, by \$16,570 and dividing the product by the total number of Dwelling Units as shown on such Final Map.

Notwithstanding the foregoing, if all or any portion of a Final Map is subsequently changed or modified, then the Alternate Special Tax for each Parcel of Developed Property classified or to be classified as Residential Property in such Final Map that is changed or modified shall be a rate per square foot calculated as follows:

1. Determine the total Alternate Special Tax anticipated to apply to the changed or modified portion of the Final Map prior to the change or modification.
2. Divide the amount determined pursuant to paragraph 1 by the Net Taxable Acreage of Parcels of Residential Property which are expected to be located in such changed or modified portion of the Final Map, as determined by the District.
3. Divide the quotient derived pursuant to paragraph 2 by 43,560. The resulting quotient is the Alternate Special Tax per square foot which shall be applicable to Parcels of Residential Property in such changed or modified portion of the Final Map for all remaining Fiscal Years in which the Special Tax may be levied.

b. Increase in the Alternate Special Tax

The Alternate Special Tax amount of \$25,959 indicated in Section C.3.a above is applicable for Fiscal Year 2004-05. On each July 1, commencing on July 1, 2005, the Alternate Special Tax shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

D. METHOD OF APPORTIONMENT AND LEVY OF THE SPECIAL TAX

Commencing with Fiscal Year 2004-2005 and for each following Fiscal Year, the Board shall determine the Special Tax Requirement and shall levy the Special Tax until the amount of Special Taxes equals the Special Tax Requirement. The Special Tax shall be levied each Fiscal Year as follows:

First: The Special Tax shall be levied Proportionately on each Parcel of Developed Property at up to 100% of the applicable Assigned Special Tax Rate to satisfy the Special Tax Requirement;

Second: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property at up to 100% of the Maximum Special Tax for Undeveloped Property;

Third: If additional monies are needed to satisfy the Special Tax Requirement after the first two steps have been completed, the Special Tax to be levied on Parcels of Developed Property whose Maximum Special Tax is derived by the application of the Alternate Special Tax shall be increased by an equal percentage from the Assigned Special tax up to the Maximum Special Tax for each such Parcel;

Fourth: If additional monies are needed to satisfy the Special Tax Requirement after the first three steps have been completed, the Special Tax shall be levied Proportionately on each Parcel of Taxable Property Owner Association Property and Taxable Public Property at up to 100 % of the Maximum Special Tax for Taxable Property Owner Association Property and Taxable Public Property.

Notwithstanding the above, under no circumstances will the Special Tax levied against any Parcel of Residential Property for which an occupancy permit for private residential use has been issued be increased by more than ten percent (10%) as a consequence of delinquency or default by the owner of any other Parcel within CFD No. 17.

E. EXEMPTIONS

The Board shall not levy Special Taxes on: (i) up to 7.8 acres of Public Property and Property Owner Association Property and (ii) any Parcel for which the obligation to pay the Special Taxes has been prepaid in full pursuant to Section G. below.

Tax exempt status for Parcels or portions of Parcels of Public Property and Property Owner Association Property will be irrevocably assigned by the District in the chronological order in which such property becomes Exempt Property.

Notwithstanding the preceding provisions of this Section E, Parcels or portions of Parcels conveyed or irrevocably offered for dedication to federal, state or local governments after formation of CFD No. 17, and not otherwise exempt pursuant to this Section E, shall be subject to the Special Tax pursuant to Section 53317.3 or 53317.5 of the Act and classified as Taxable Public Property. Such Parcels shall be taxed Proportionately as part of the fourth step in Section D above, at up to 100% of the Maximum Special Tax for Taxable Public Property.

F. MANNER OF COLLECTION

The Special Taxes levied on Parcels of Taxable Property will be collected in the same manner and at the same time as regular *ad valorem* property taxes; provided, however, that prepayments are permitted as set forth in Section G below; and provided further that the District may directly bill all or part of the Special Taxes, and may collect the Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of CFD No. 17. Furthermore, the Board may authorize the collection of delinquent Special Taxes by judicial foreclosure proceedings pursuant to Section 53356.1 of the Act.

G. PREPAYMENT AND SATISFACTION OF SPECIAL TAX OBLIGATION

1. Prepayment in Full

The Special Tax obligation for any Parcel of Developed Property or any Parcel of Undeveloped Property for which a building permit has been issued may be prepaid and permanently satisfied as provided herein, provided that a prepayment may be made only if at the time of the prepayment there are no delinquent Special Taxes with respect to such Parcel and all other Parcels which are under the same ownership. An owner of a Parcel intending to prepay the Special Tax obligation shall provide the District with written notice of intent to prepay. Within 30 days of receipt of such written notice, the shall notify such owner of the Prepayment (as defined below) for such Parcel and District the date through which the amount of the Prepayment will be valid.

The following additional definitions apply to this section G.1:

“CFD Public Facilities Amount” means \$1.73 million, expressed in 2004 dollars, which shall increase by the annual percentage change in the Construction Inflation Index on July 1, 2005, and on each July 1 thereafter, or such lower amount as is determined by the District as being sufficient to provide the public facilities.

“Construction Fund” means a fund or account specifically identified in the Indenture to hold funds which are available to acquire or construct public facilities for CFD No. 17.

“Construction Inflation Index” means the Engineering News-Record Building Cost Index for the City of Los Angeles, measured as of the calendar year which ends in the previous Fiscal Year. In the event that index ceases to be published, the Construction Inflation Index shall be another index which is determined by the District to be reasonably comparable to that index.

“Outstanding Bonds” means all Bonds which will remain outstanding after the first interest and/or principal payment date following the then current Fiscal Year, excluding Bonds to be redeemed at a later date with the proceeds of prior prepayments of the Special Tax obligation.

“Prepayment” means an amount equal to the sum of (1) Principal, (2) Premium, (3) Future Facilities Cost, (4) Defeasance, and (5) Fees minus (A) Reserve Fund Credit and (B) Capitalized Interest Credit, where the terms “Principal,” “Premium,” “Future Facilities Cost,” “Defeasance,” “Fees,” “Reserve Fund Credit,” and “Capitalized Interest Credit” have the following meanings:

“Principal” means the principal amount of the Bonds to be redeemed with the proposed prepayment and equals the greater of (i) the quotient derived by dividing (a) the total amount of Special Tax that could be collected if the Special Tax were levied on the Parcel intending to prepay at the Assigned Special Tax Rate for the Parcel by (b) the total amount of Special Taxes that could be levied on all Parcels in CFD No. 17 (except Parcels of Exempt Property and Parcels for which the Special Tax obligation has been prepaid), assuming that any Parcels of Undeveloped Property are developed as anticipated, at the applicable Assigned Special Tax Rates for Developed Property, as determined by the District, and by multiplying that quotient by the principal amount of the Outstanding Bonds, or (ii) the quotient derived by dividing (a) the total amount of Special Tax that could be collected if the Special Tax were levied on the Parcel intending to prepay at the Alternate Special Tax for the Parcel by (b) the total amount of Special Taxes that could be levied on all Parcels in CFD No. 17 (except Parcels of Exempt Property and Parcels for which the Special Tax obligation has been prepaid), assuming that any Parcels of Undeveloped Property are developed as anticipated, at the Alternate Special Tax for Parcels of Residential Property and at the Assigned Special Tax Rate for Parcels of Non-Residential Property, as determined by the District, and by multiplying that quotient by the principal amount of the Outstanding Bonds.

“Premium” means an amount equal to the Principal multiplied by the redemption premium, if any, for the Bonds which will be redeemed with the prepayment.

“Future Facilities Cost” means the CFD Public Facilities Amount minus (i) public facilities costs previously paid from the Construction Fund, (ii) moneys currently on deposit in the Construction Fund and (iii) public facilities costs that will be paid from interest earned from investment of the Construction Fund prior to the date of the Prepayment.

“Defeasance” means the amount needed to pay interest on the Principal until the earliest redemption date for the Outstanding Bonds less the earnings from the investment of the amount of the Principal less the Fees until the redemption date for the Outstanding Bonds to be redeemed with the Prepayment.

“Fees” means administrative fees and expenses associated with the Prepayment as calculated by or on behalf of the District including, but not limited to, the costs of

computing the Prepayment, the costs of removing any Special Taxes from the tax roll, the costs of redeeming the Bonds, and the costs of recording and publishing any notices to evidence the Prepayment and the redemption of Bonds.

“Reserve Fund Credit” means the lesser of (i) the expected reduction in the applicable Reserve Requirement (as defined in the Indenture) following the redemption of Bonds with the Prepayment or (ii) the amount derived by subtracting the new Reserve Requirement which will be in effect after the redemption of Bonds with the Prepayment from the amount on deposit in the Reserve Fund (as defined in the Indenture) on the prepayment date, but in no event shall such amount be less than zero.

“Capitalized Interest Credit” means the pro rata amount of capitalized interest, if any, on the Outstanding Bonds and equals the greater of (i) the quotient derived by dividing (a) the total amount of Special Tax that could be collected if the Special Tax were levied on the Parcel intending to prepay at the Assigned Special Tax Rate for the Parcel by (b) the total amount of Special Taxes that could be levied on all Parcels in CFD No. 17 (except Parcels of Exempt Property and Parcels for which the Special Tax Obligation has been prepaid), assuming that any Parcels of Undeveloped Property are developed as anticipated, at the applicable Assigned Special Tax Rates for Developed Property, as determined by the District, and by multiplying that quotient by the remaining amount of capitalized interest, or (ii) the quotient derived by dividing (a) the total amount of Special Tax that could be collected if the Special Tax were levied on the Parcel intending to prepay at the Alternate Special Tax for the Parcel by (b) the total amount of Special Taxes that could be levied on all Parcels in CFD No. 17 (except Parcels of Exempt Property and Parcels for which the Special Tax Obligation has been prepaid), assuming that any Parcels of Undeveloped Property are developed as anticipated, at the Alternate Special Tax for Parcels of Residential Property and at the Assigned Special Tax Rate for Parcels of Non-Residential Property, as determined by the District, and by multiplying that quotient by the remaining amount of capitalized interest.

The Prepayment, exclusive of the Future Facilities Cost, shall be paid to the District and shall be used to pay and redeem Bonds in accordance with the Indenture and to pay the Fees. The Future Facilities Cost shall be retained in the Construction Fund. Upon the payment of the Prepayment to the District, the obligation to pay the Special Tax for the prepaying Parcel shall be deemed to be permanently satisfied, the Special Tax shall not be levied thereafter on the Parcel, and the District shall cause a notice of cancellation of the Special Tax lien for such Parcel to be recorded.

Notwithstanding the foregoing, no Prepayment of the Special Tax obligation for any Parcel shall be allowed unless the total amount of the Special Tax that could be levied on all Parcels of Taxable Property pursuant to Section D after the proposed prepayment would be at least equal to the sum of (i) the Administrative Expenses and (ii) an amount equal to one hundred ten percent (110%) of maximum annual debt service on the Bonds which will remain outstanding following the redemption of Bonds with the Prepayment.

2. Prepayment in Part

An owner of not less than 15 Parcels of Residential Property or the owner of a Parcel of Residential Property upon which not less than 15 Dwelling Units will be constructed may partially prepay the obligation of all such Parcels or such Parcel to pay the Special Tax by the same percentage for each such Parcel or Dwelling Unit (a “Partial Prepayment”). An owner

of a single Parcel of Residential Property that has been or will be improved with a single Dwelling Unit will not be allowed to make a Partial Prepayment for the Parcel. The owner of a Parcel of Non-Residential Property or a Parcel of Undeveloped Property for which a building permit has been issued which will not cause the Parcel to be Residential Property may partially prepay the obligation of the Parcel to pay the Special Tax obligation (also a "Partial Prepayment"). However, no Partial Prepayment shall be allowed if there are delinquent Special Taxes for the Parcel or any other Parcel which is also owned by the owner of the Parcel or Parcels proposing the Partial Prepayment.

An owner of such a Parcel intending to prepay a portion of the Special Tax obligation for the Parcel shall provide the District with written notice of intent to prepay and the percentage of the Special Tax obligation to be prepaid. Within 30 days of receipt of such written notice, the District shall notify such owner of the Partial Prepayment amount for such Parcel and the date through which the amount of such Partial Prepayment shall be valid.

The amount of the Partial Prepayment shall be calculated pursuant to Section G.1. and the following formula:

$$PP = ((Pe - A) \times F) + A$$

The abbreviated terms in this formula have the following meanings:

- PP= the Partial Prepayment
- Pe= the Prepayment amount calculated according to Section G.1.
- F= the percent by which the owner of the Parcel is partially prepaying the Special Tax obligation.
- A= the Fees determined in Section G.1.

The Partial Prepayment, exclusive of the portion thereof attributable to the Future Facilities Cost, shall be paid to the District and shall be used to pay and redeem Bonds in accordance with the Indenture and to pay the Fees. The portion of the Partial Prepayment attributable to the Future Facilities Cost shall be retained in the Construction Fund. Upon the payment of the Partial Prepayment to the District, the portion of the Special Tax equal to the outstanding percentage $(1.00 - F)$ of the remaining Special Tax obligation shall continue to be authorized to be levied on such Parcel pursuant to Section D.

Notwithstanding the foregoing, no Partial Prepayment shall be allowed unless the total amount of the Special Tax that could be levied on all Parcels of Taxable Property pursuant to Section D after the proposed Partial Prepayment would be at least equal to the sum of (i) the Administrative Expenses and (ii) one hundred ten percent (110%) of annual debt service on the Bonds an amount equal to which will remain outstanding following the redemption of Bonds with the Partial Prepayment.

I. TERM OF SPECIAL TAX

For each year that any Bonds are outstanding the Special Tax shall be levied on all Parcels of Taxable Property. No Special Tax shall be levied on any Parcel after the 2043-2044 Fiscal Year.

J. RELIEF FROM ALTERNATIVE SPECIAL TAX

All Parcels will be relieved simultaneously and permanently from the obligation to pay and disclose the Alternate Special Tax if the Board determines that (i) all authorized Bonds have been issued or the Board has covenanted that it will not issue any additional Bonds (except refunding bonds), (ii) the balance in any reserve fund established for the outstanding Bonds is at the reserve requirement as defined in the Indenture and (iii) the total amount of the Special Taxes which could be levied in any Fiscal Year on all Parcels of Developed Property based on the Assigned Special Tax Rates for such Parcels would be equal to at least 110 percent of maximum annual debt service on the outstanding Bonds plus estimated annual Administrative Expenses.

**RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR
COMMUNITY FACILITIES DISTRICT NO. 18 OF
RIVERSIDE UNIFIED SCHOOL DISTRICT**

Special Taxes (defined below) shall be levied on all Parcels (defined below) located within the boundaries of Community Facilities District No. 18 of Riverside Unified School District (“CFD No. 18”). The amount of Special Tax to be levied on a Parcel in any Fiscal Year (defined below) shall be determined by the Board of Education of Riverside Unified School District (the “Board” and the “District”), in accordance with the rates and method of apportionment of the Special Taxes described below. All of the property in CFD No. 18, unless exempted by law or Section E, shall be taxed for the purposes, to the extent, and in the manner provided herein.

A. DEFINITIONS

“**Act**” means the Mello-Roos Community Facilities Act of 1982, being Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California.

“**Administrative Expenses**” means the following actual or reasonably estimated costs directly related to the administration of CFD No. 18: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the District, CFD No. 18, or an agent thereof); the costs of collecting the Special Taxes (whether by the District or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the District, CFD No. 18 or an agent thereof in complying with arbitrage rebate requirements; the costs to the District, CFD No. 18 or an agent thereof in complying with District or CFD No. 18 disclosure requirements associated with applicable federal and state securities laws and the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquires regarding the Special Taxes; the costs of the District, CFD No. 18 or an agent thereof related to an appeal of the Special Tax; the costs associated with the release of funds from an escrow account; and the District’s and CFD No. 18’s annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the District or CFD No. 18 for any other administrative purposes of CFD No. 18 including attorney’s fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

“**Alternate Special Tax**” means the applicable alternate special tax for a Parcel as calculated pursuant to Section C.1.c. or Section C.2.c., as applicable.

“**Assessor’s Parcel Map**” means an official map of the Assessor of the County of Riverside designating Parcels by assessor’s parcel number.

“**Assigned Special Tax Rate**” means the applicable assigned special tax rate for a Parcel specified in Table 1 in Section C as applicable.

“**Bonds**” means the bonds of CFD No. 18.

“**Developed Property**” means for any Fiscal Year all Taxable Property, exclusive of Public Property and Property Owner Association Property, for which a building permit was issued as of March 1 of the prior Fiscal Year.

“**Dwelling Unit**” means any residential structure including, but not limited to apartments, condominiums, townhouses, or single-family detached houses, offered for rent or for sale for which a building permit was issued as of March 1 of the prior Fiscal Year.

“Exempt Property” means any Parcel within CFD No. 18 that is exempt from the levy of Special Taxes pursuant to Section E or the Act.

“Final Map” means a subdivision of property by recordation of a final map, parcel map, or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code Section 1352 that creates individual lots for which building permits may be issued without further subdivision.

“Fiscal Year” means the twelve month period starting on July 1 of any calendar year and ending the following June 30.

“Indenture” means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing, amending or supplementing the same.

“Maximum Special Tax” means the maximum Special Tax, determined in accordance with Section C that can be levied by the Board in any Fiscal Year on any Parcel.

“Net Taxable Acre or Acreage” means that acreage shown on the Assessor’s Parcel Map for each Parcel, exclusive of property exempt from the Special Tax pursuant to the Act or Section E below. In the event that the Assessor’s Parcel Map shows no acreage for a Parcel, the Net Taxable Acreage for the Parcel shall be as shown on or determined from the recorded Final Map or a functionally equivalent map or document for the Parcel.

“Non-Residential Property” means all Parcels of Developed Property for which a building permit has been issued for the construction of a building that is not a Dwelling Unit.

“Parcel” means a lot or parcel shown on an Assessor’s Parcel Map with an assigned assessor’s parcel number as of the date of the levy of the Special Taxes for each Fiscal Year.

“Property Owner Association Property” means any property within the boundaries of CFD No. 18 owned by or dedicated to a property owner association, including any master or sub-association.

“Proportionately” means for Parcels of Residential Property that the ratio of the actual Special Tax levy to the Assigned Special Tax Rate is the same for all Parcels of Residential Property. For Parcels of Non-Residential Property and Parcels of Undeveloped Property, “Proportionately” means that the ratio of the actual Special Tax levy per Net Taxable Acre to the Maximum Special Tax per Net Taxable Acre is the same for all Parcels of Non-Residential Property or Parcels of Undeveloped Property.

“Public Property” means any property within the boundaries of CFD No. 18 that is used for public rights-of-way or any other public purpose and is owned by or dedicated or irrevocably offered for dedication to the federal government, the State of California, the County, or any other public agency; provided, however, that any property leased by a public agency; to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use.

“Residential Floor Space” means the square footage of a Dwelling Unit, exclusive of garages, as shown on or calculated from the appropriate building records of the City of Riverside Building Department.

“Residential Property” means all Parcels of Developed Property upon which a Dwelling Unit is located or for which a building permit has been issued for the purpose of constructing a Dwelling Unit.

“**Special Tax**” means the special tax to be levied in each Fiscal Year on each Parcel of Taxable Property to fund the Special Tax Requirement.

“**Special Tax Requirement**” means the amount required in any Fiscal Year to pay (1) debt service on all outstanding Bonds, (2) Administrative Expenses, and (3) any amounts required, to the extent permitted by the Maximum Special Tax for all Parcels of Taxable Property, to create, maintain, or replenish any reserve fund established for the outstanding Bonds.

“**Taxable Property**” means all Parcels that are not Exempt Property.

“**Taxable Property Owner Association Property**” means all Parcels of Property Owner Association Property that are not exempt pursuant to Section E.

“**Taxable Public Property**” means all Parcels of Public Property that are not exempt pursuant to Section E.

“**Trustee**” means the trustee or fiscal agent under the Indenture.

“**Undeveloped Property**” means all Parcels which are not classified as Developed Property, Public Property or Property Owner Association Property.

B. CLASSIFICATION AND ASSIGNMENT TO LAND USE CATEGORY

For each Fiscal Year (commencing with the 2004-2005 Fiscal Year) all Parcels shall be classified as Developed Property, Taxable Public Property, Taxable Property Owner Association Property, Undeveloped Property, or Exempt Property, and shall be subject to the levy of Special Taxes in accordance with the rates and method of apportionment of the Special Taxes as set forth in Sections C and D.

For purposes of determining the applicable Maximum Special Tax pursuant to Section C, Parcels of Developed Property shall be assigned to a Land Use Category as specified in Table 1. Parcels of Residential Property shall be assigned to Land Use Category 1, 2 or 3, as specified in Table 1, based upon the Residential Floor Space of the Dwelling Unit(s) on or to be constructed on a Parcel as provided in the most recent building permit(s) issued for such Parcel. Parcels of Non-Residential Property shall be assigned to Land Use Category 4.

C. MAXIMUM SPECIAL TAX

1. Developed Property

The Maximum Special Tax for each Parcel of Developed Property classified as Residential Property shall be the greater of (i) the amount determined by multiplying the Dwelling Unit(s) on or to be constructed on the Parcel by the applicable Assigned Special Tax Rate per Dwelling Unit specified in Table 1 below, or (ii) the Alternate Special Tax.

The Maximum Special Tax for each Parcel of Developed Property classified as Non-Residential Property shall be determined by multiplying the Net Taxable Acreage of the Parcel by the Assigned Special Tax Rate for Non-Residential Property as specified in Table 1.

**Table 1
Assigned Special Tax Rates**

Land Use Category	Description	Residential Floor Space	Assigned Special Tax Rate
1	Residential Property	≥4,150 sq. ft.	\$3,925 per Dwelling Unit
2	Residential Property	≥3,900 and <4,150 sq. ft.	\$3,703 per Dwelling Unit
3	Residential Property	<3,900 sq. ft.	\$3,407 per Dwelling Unit
4	Non-Residential Property	N/A	\$2,298 per Net Taxable Acre

2. Taxable Property Owner Association Property, Taxable Public Property and Undeveloped Property

The Maximum Special Tax for each Parcel of Taxable Public Property, Taxable Property Owner Association Property and Undeveloped Property shall be determined by multiplying Net Taxable Acreage of the Parcel by \$2,298.

3. Alternate Special Tax

At the time a Final Map is recorded, the Alternate Special Tax for all Parcels of Developed Property classified or to be classified as Residential Property within such Final Map shall be determined by multiplying the total Net Taxable Acreage of Taxable Property in such Final Map, by \$2,298 and dividing the product by the total number of Dwelling Units as shown on such Final Map.

Notwithstanding the foregoing, if all or any portion of a Final Map is subsequently changed or modified, then the Alternate Special Tax for each Parcel of Developed Property classified or to be classified as Residential Property in such Final Map that is changed or modified shall be a rate per square foot calculated as follows:

1. Determine the total Alternate Special Tax anticipated to apply to the changed or modified portion of the Final Map prior to the change or modification.
2. Divide the amount determined pursuant to paragraph 1 by the Net Taxable Acreage of Parcels of Residential Property which are expected to be located in such changed or modified portion of the Final Map, as determined by the District.
3. Divide the quotient derived pursuant to paragraph 2 by 43,560. The resulting quotient is the Alternate Special Tax per square foot which shall be applicable to Parcels of Residential Property in such changed or modified portion of the Final Map for all remaining Fiscal Years in which the Special Tax may be levied.

D. METHOD OF APPORTIONMENT AND LEVY OF THE SPECIAL TAX

Commencing with Fiscal Year 2004-2005 and for each following Fiscal Year, the Board shall determine the Special Tax Requirement and shall levy the Special Tax until the amount of Special Taxes equals the Special Tax Requirement. The Special Tax shall be levied each Fiscal Year as follows:

First: The Special Tax shall be levied Proportionately on each Parcel of Developed Property at up to 100% of the applicable Assigned Special Tax Rate to satisfy the Special Tax Requirement;

Second: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property at up to 100% of the Maximum Special Tax for Undeveloped Property;

Third: If additional monies are needed to satisfy the Special Tax Requirement after the first two steps have been completed, the Special Tax to be levied on each Parcel of Developed Property whose Maximum Special Tax is derived by the application of the Alternate Special Tax shall be increased in equal percentages from the Assigned Special tax up to the Maximum Special Tax for each such Parcel;

Fourth: If additional monies are needed to satisfy the Special Tax Requirement after the first three steps have been completed, the Special Tax shall be levied Proportionately on each Parcel of Taxable Property Owner Association Property and Taxable Public Property at up to 100 % of the Maximum Special Tax for Taxable Property Owner Association Property and Taxable Public Property.

Notwithstanding the above, under no circumstances will the Special Tax levied against any Parcel of Residential Property for which an occupancy permit for private residential use has been issued be increased by more than ten percent (10%) as a consequence of delinquency or default by the owner of any other Parcel within CFD No. 18.

E. EXEMPTIONS

The Board shall not levy Special Taxes on: (i) up to 19.5 acres of Public Property and Property Owner Association Property and (ii) any Parcel for which the obligation to pay the Special Taxes has been prepaid in full pursuant to Section G. below.

Tax exempt status for Parcels or portions of Parcels of Public Property and Property Owner Association Property will be irrevocably assigned by the District in the chronological order in which such property becomes Exempt Property.

Notwithstanding the preceding provisions of this Section E, Parcels or portions of Parcels conveyed or irrevocably offered for dedication to federal, state or local governments after formation of CFD No. 18, and not otherwise exempt pursuant to this Section E, shall be subject to the Special Tax pursuant to Section 53317.3 or 53317.5 of the Act and classified as Taxable Public Property. Such Parcels shall be taxed Proportionately as part of the fourth step in Section D above, at up to 100% of the Maximum Special Tax for Taxable Public Property.

F. MANNER OF COLLECTION

The Special Taxes levied on Parcels of Taxable Property will be collected in the same manner and at the same time as regular *ad valorem* property taxes; provided, however, that prepayments are permitted as set forth in Section G below; and provided further that the District may directly bill all or part of the Special Taxes, and may collect the Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of CFD No. 18. Furthermore, the Board may authorize the collection of delinquent Special Taxes by judicial foreclosure proceedings pursuant to Section 53356.1 of the Act.

G. PREPAYMENT AND SATISFACTION OF SPECIAL TAX OBLIGATION

1. Prepayment in Full

The Special Tax obligation for any Parcel of Developed Property or any Parcel of Undeveloped Property for which a building permit has been issued may be prepaid and permanently satisfied as provided herein, provided that a prepayment may be made only if at the time of the prepayment there are no delinquent Special Taxes with respect to such Parcel and all other Parcels which are under the same ownership. An owner of a Parcel intending to prepay the Special Tax obligation shall provide the District with written notice of intent to prepay. Within 30 days of receipt of such written notice, the District shall notify such owner of the Prepayment (as defined below) for such Parcel and the date through which the amount of the Prepayment will be valid.

The following additional definitions apply to this section G1:

“CFD Public Facilities Amount” means \$2,300,825, expressed in 2004 dollars, which shall increase by the annual percentage change in the Construction Inflation Index on July 1, 2005, and on each July 1 thereafter, or such lower amount as is determined by the District as being sufficient to provide the public facilities.

“Construction Fund” means a fund or account specifically identified in the Indenture to hold funds which are available to acquire or construct public facilities for CFD No. 18.

“Construction Inflation Index” means the Engineering News-Record Building Cost Index for the City of Los Angeles, measured as of the calendar year which ends in the previous Fiscal Year. In the event that index ceases to be published, the Construction Inflation Index shall be another index which is determined by the District to be reasonably comparable to that index.

“Outstanding Bonds” means all Bonds which will remain outstanding after the first interest and/or principal payment date following the then current Fiscal Year, excluding Bonds to be redeemed at a later date with the proceeds of prior prepayments of the Special Tax obligation.

“Prepayment” means an amount equal to the sum of (1) Principal, (2) Premium, (3) Future Facilities Cost, (4) Defeasance, and (5) Fees minus (A) Reserve Fund Credit and (B) Capitalized Interest Credit, where the terms “Principal,” “Premium,” “Future Facilities Cost,” “Defeasance,” “Fees,” “Reserve Fund Credit,” and “Capitalized Interest Credit” have the following meanings:

“Principal” means the principal amount of the Bonds to be redeemed with the proposed prepayment and equals the quotient derived by dividing (a) the total amount of Special Tax that could be collected if the Special Tax were levied on the Parcel intending to prepay at the Maximum Special Tax for the Parcel by (b) the total amount of Special Tax that could be collected if the Special Tax were levied on all Parcels of Taxable Property (except Parcels which have prepaid the Special Tax obligation) at the Maximum Special Tax for all such Parcels assuming full build out as determined by the District, and by multiplying that quotient by the portion of the principal amount of the Outstanding Bonds, the debt service on which is payable from Special Taxes levied on Parcels of Taxable Property (except Parcels which have prepaid the Special Tax obligation).

“Premium” means an amount equal to the Principal multiplied by the redemption premium, if any, for the Bonds which will be redeemed with the prepayment.

“Future Facilities Cost” means the CFD Public Facilities Amount minus (i) public facilities costs previously paid from the Construction Fund, (ii) the amount of funds currently on deposit in the Construction Fund, and (iii) public facilities costs that will be paid from interest earned from investment of the Construction Fund prior to the date of the Prepayment.

“Defeasance” means the amount needed to pay interest on the Principal until the earliest redemption date for the Outstanding Bonds less the earnings from the investment of the amount of the Principal less the Fees until the redemption date for the Outstanding Bonds to be redeemed with the Prepayment.

“Fees” means administrative fees and expenses associated with the Prepayment as calculated by or on behalf of the District including, but not limited to, the costs of computing the Prepayment, the costs of removing any Special Taxes from the tax roll, the costs of redeeming the Bonds, and the costs of recording and publishing any notices to evidence the Prepayment and the redemption of Bonds.

“Reserve Fund Credit” means the lesser of (i) the expected reduction in the applicable Reserve Requirement (as defined in the Indenture) following the redemption of Bonds with the Prepayment or (ii) the amount derived by subtracting the new Reserve Requirement which will be in effect after the redemption of Bonds with the Prepayment from the amount on deposit in the Reserve Fund (as defined in the Indenture) on the prepayment date, but in no event shall such amount be less than zero.

“Capitalized Interest Credit” means the pro rata amount of capitalized interest, if any, on the Outstanding Bonds which is allocable to the Parcel intending to prepay the Special Tax obligation determined by dividing (a) the total amount of Special Tax revenues that could be collected if the Special Tax were levied on the Parcel in an amount equal to the Maximum Special Tax for the Parcel by (b) the total amount of Special Tax that could be collected if the Special Tax were levied on all Parcels of Taxable Property (except Parcels which have prepaid the Special Tax obligation) in an amount equal to the Maximum Special Tax for all such Parcels, and by multiplying that quotient by the remaining amount of capitalized interest.

The Prepayment, exclusive of the Future Facilities Cost, shall be paid to the District and shall be used to pay and redeem Bonds in accordance with the Indenture and to pay the Fees. The Future Facilities Cost shall be retained in the Construction Fund. Upon the payment of the Prepayment to the District, the obligation to pay the Special Tax for the prepaying Parcel shall be deemed to be permanently satisfied, the Special Tax shall not be levied thereafter on the Parcel, and the District shall cause a notice of cancellation of the Special Tax lien for such Parcel to be recorded.

Notwithstanding the foregoing, no Prepayment of the Special Tax obligation for any Parcel shall be allowed unless the total amount of the Special Tax that could be levied on all Parcels of Taxable Property pursuant to Section D after the proposed prepayment would be at least equal to the sum of (i) the Administrative Expenses and (ii) an amount equal to one hundred ten percent (110%) of annual debt service on the Bonds which will remain outstanding following the redemption of Bonds with the Prepayment.

2. Prepayment in Part

An owner of not less than 15 Parcels of Residential Property or the owner of a Parcel of Residential Property upon which not less than 15 Dwelling Units will be constructed may partially prepay the obligation of all such Parcels or such Parcel to pay the Special Tax by the same percentage for each such Parcel or Dwelling Unit (a “Partial Prepayment”). An owner of a single Parcel of Residential

Property that has been or will be improved with a single Dwelling Unit will not be allowed to make a Partial Prepayment for the Parcel. The owner of a Parcel of Undeveloped Property for which a building permit has been issued which will not cause the Parcel to be Residential Property may partially prepay the obligation of the Parcel to pay the Special Tax obligation (also a "Partial Prepayment"). However, no Partial Prepayment shall be allowed if there are delinquent Special Taxes for the Parcel or any other Parcel which is also owned by the owner of the Parcel or Parcels proposing the Partial Prepayment.

An owner of such a Parcel intending to prepay a portion of the Special Tax obligation for the Parcel shall provide the District with written notice of intent to prepay and the percentage of the Special Tax obligation to be prepaid. Within 30 days of receipt of such written notice, the District shall notify such owner of the Partial Prepayment amount for such Parcel and the date through which the amount of such Partial Prepayment shall be valid.

The amount of the Partial Prepayment shall be calculated pursuant to Section G.1. and the following formula:

$$PP = (Pe \times F) + A$$

The abbreviated terms in this formula have the following meanings:

PP= the Partial Prepayment

Pe= the Prepayment amount calculated according to Section G.1.

F= the percent by which the owner of the Parcel is partially prepaying the Special Tax obligation.

A= the Fees determined in Section G.1.

The Partial Prepayment, exclusive of the portion thereof attributable to the Future Facilities Cost, shall be paid to the District and shall be used to pay and redeem Bonds in accordance with the Indenture and to pay the Fees. The portion of the Partial Prepayment attributable to the Future Facilities Cost shall be retained in the Construction Fund. Upon the payment of the Partial Prepayment to the District, the portion of the Special Tax equal to the outstanding percentage (1.00 – F) of the remaining Special Tax obligation shall continue to be authorized to be levied on such Parcel pursuant to Section D.

Notwithstanding the foregoing, no Partial Prepayment shall be allowed unless the total amount of the Special Tax that could be levied on all Parcels of Taxable Property pursuant to Section D after the proposed Partial Prepayment would be at least equal to the sum of (i) the Administrative Expenses and (ii) an amount equal to one hundred ten percent (110%) of annual debt service on the Bonds which will remain outstanding following the redemption of Bonds with the Partial Prepayment.

I. TERM OF SPECIAL TAX

For each year that any Bonds are outstanding the Special Tax shall be levied on all Parcels of Taxable Property. No Special Tax shall be levied on any Parcel after the 2042-2043 Fiscal Year.

J. RELIEF FROM ALTERNATIVE SPECIAL TAX

All Parcels will be relieved simultaneously and permanently from the obligation to pay and disclose the Alternate Special Tax if the Board determines that (i) all authorized Bonds have been issued or the Board has covenanted that it will not issue any additional Bonds (except refunding bonds), (ii) the balance in any reserve fund established for the outstanding Bonds is at the reserve requirement as defined in the Indenture and (iii) the total amount of the Special Taxes which could be levied in any Fiscal Year on all Parcels of Developed Property based on the Assigned Special Tax for such Parcels

would be equal to at least 110 percent of maximum annual debt service on the outstanding Bonds plus estimated annual Administrative Expenses.

**RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR
IMPROVEMENT AREAS NOS. 1, 2 AND 3 OF
COMMUNITY FACILITIES DISTRICT NO. 21
RIVERSIDE UNIFIED SCHOOL DISTRICT**

Special Taxes (defined below) shall be levied on all Parcels (defined below) located within the boundaries of Community Facilities District No. 21 of Riverside Unified School District (hereinafter “CFD No. 21”). The amount of Special Tax to be levied on a Parcel in any Fiscal Year (defined below) shall be determined by the Board of Education of Riverside Unified School District (hereinafter the “Board” and the “District”), in accordance with the rates and method of apportionment of the Special Taxes described below. All of the property in CFD No. 21, unless exempted by law or Section E below, shall be taxed for the purposes, to the extent, and in the manner provided herein.

A. DEFINITIONS

“**Act**” means the Mello-Roos Community Facilities Act of 1982, being Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California.

“**Administrative Expenses**” means the following actual or reasonably estimated costs directly related to the administration of CFD No. 21: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the District, CFD No. 21, or an agent thereof); the costs of collecting the Special Taxes (whether by the District or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the District, CFD No. 21 or any agent thereof in complying with arbitrage rebate requirements; the costs to the District, CFD No. 21 or any agent thereof in complying with District, CFD No. 21 or obligated persons disclosure requirements associated with applicable federal and state securities laws and of the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquires regarding the Special Taxes; the costs of the District, CFD No. 21 or any agent thereof related to an appeal of the Special Tax; the costs associated with the release of funds from an escrow account; and the District’s annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the District or CFD No. 21 for any other administrative purposes of CFD No. 21 including attorney’s fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

“**Alternate Special Tax**” means the applicable alternate special tax for a Parcel as determined pursuant to Section C.1.a.(iv), Section C.2.a.(iv), or Section C.3.a.(iv), below, as applicable.

“**Assessor’s Parcel Map**” means an official map of the Assessor of the County of Riverside designating Parcels by assessor’s parcel number.

“**Assigned Special Tax Rate**” means the applicable assigned special tax rate for a Parcel specified in Table 1, Table 2, or Table 3 in Section C below, as applicable.

“**Bonds**” means any bonds issued by CFD No. 21 pursuant to the Act, which are issued for IA No. 1, IA No. 2, or IA No. 3, or any combination thereof.

“**Buildout**” means, if a series of Bonds has been issued for any combination of Improvement Areas, the first date on which all of the following have occurred as determined by the District: (i) all of the authorized Bonds for such Improvement Areas have been issued or the Board has covenanted that no additional Bonds (except refunding bonds) will be issued for such Improvement Areas and (ii) the Maximum Special Taxes from Developed Property in each such Improvement Area in each Fiscal

Year are equal to or greater than the sum of 110% of the annual debt service for each such Fiscal Year on such outstanding Bonds, including any refunding bonds, allocable to such Improvement Area. This definition shall not apply to any series of Bonds that was issued for a single Improvement Area.

“Combined Delinquency Amount” means, if a series of Bonds is issued for any combination of Improvement Areas, for any Fiscal Year after Buildout, the amount required to (i) replenish the amount, if any, withdrawn from the Reserve Fund to pay debt service on such Bonds as a result of delinquencies in the collection of Special Taxes levied in any such Improvement Area, as determined by the District; and (ii) provide funds to offset reasonably anticipated delinquencies in the collection of Special Taxes to be levied in any such Improvement Area based on the delinquency rate for Special Taxes levied in such Improvement Area in the preceding Fiscal Year. This definition shall not apply to any series of Bonds that was issued for a single Improvement Area.

“County” means the County of Riverside, California.

“Developed Property” means for each Fiscal Year all Taxable Property, exclusive of Taxable Property Owner Association Property and Taxable Public Property, for which a building permit for new construction was issued as of January 1 of the prior Fiscal Year.

“Dwelling Unit” means any residential structure including, but not limited to apartments, condominiums, townhouses, or single-family detached houses, offered for rent or for sale for which a building permit was issued as of January 1 of the prior Fiscal Year.

“Exempt Property” means any Parcel within CFD No. 21 that is exempt from the levy of Special Taxes pursuant to Section E.

“Final Map” means a subdivision of property by recordation of a final map, parcel map or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq.*) or recordation of a condominium plan pursuant to California Civil Code Section 1352 that creates individual lots for which building permits may be issued without further subdivision.

“Fiscal Year” means the twelve month period starting on July 1 of any calendar year and ending the following June 30.

“Improvement Area” means IA No. 1, IA No. 2, and/or IA No. 3, as applicable.

“Improvement Area No. 1” or **“IA No. 1”** means all property located within the area identified as Improvement Area No. 1 on the boundary map for CFD No. 21.

“Improvement Area No. 1 Allocation” means, for each series of Bonds issued for Improvement Area No. 1 or for any combination of Improvement Area No. 1 and any other Improvement Area, the percentage of the annual debt service on such Bonds that will be allocated to IA No. 1, as determined by the Board at the time of the issuance of each such series of Bonds, based on the amount of the proceeds of the sale of such Bonds that will be used to finance public facilities for IA No. 1 as compared to the amount of such proceeds that will be used to finance public facilities for any other Improvement Area. The Improvement Area No. 1 Allocation shall not change after all of the authorized Bonds have been issued for Improvement Area No. 1 or the Board has covenanted that no additional Bonds will be issued for Improvement Area No. 1.

“Improvement Area No. 1 Delinquency Amount” means, if a series of Bonds is issued for IA No. 1 and any other Improvement Area, for any Fiscal Year, the amount required to (i) replenish the amount, if any, withdrawn from the Reserve Fund to pay debt service on such Bonds, as a result of delinquencies in the collection of Special Taxes levied in IA No. 1 in the preceding Fiscal Year, as

determined by the District; and (ii) provide funds to offset reasonably anticipated delinquencies in the collection of Special Taxes to be levied in IA No. 1 based on the delinquency rate for Special Taxes levied in IA No. 1 in the preceding Fiscal Year.

“Improvement Area No. 1 Special Tax Requirement” means the amount required in any Fiscal Year, after taking into consideration any available funds, as determined by the District, to: (i) pay the portion of the Administrative Expenses allocable to IA No. 1, as determined by the District; (ii) pay the debt service on the Outstanding IA No. 1 Bonds; (iii) pay any costs related to the Outstanding IA No. 1 Bonds, including but not limited to, credit enhancement and rebate payments; (iv) pay directly or accumulate funds for paying the costs of authorized public facilities; and (v) replenish the amount, if any, withdrawn from the Reserve Fund to pay debt service on the Outstanding IA No. 1 Bonds as a result of delinquencies in the collection of Special Taxes levied in IA No. 1, as determined by the District; and (vi) provide for anticipated delinquent Special Taxes within IA No. 1 based on the Special Tax delinquency rate for the previous Fiscal Year. If a series of Bonds is issued for any combination of IA No. 1 and any other Improvement Area, the preceding clause (v) shall not apply and instead the Improvement Area No. 1 Special Tax Requirement shall include the following clause: (v) prior to Buildout, pay the Improvement Area No. 1 Delinquency Amount or after Buildout, pay a portion of the Combined Delinquency Amount as determined by the District.

“Improvement Area No. 2” means all property located within the area identified as Improvement Area No. 2 on the boundary map for CFD No. 21.

“Improvement Area No. 2 Allocation” means, for each series of Bonds issued for Improvement Area No. 2 or for any combination of Improvement Area No. 2 and any other Improvement Area, the percentage of the annual debt service on such Bonds that will be allocated to IA No. 2, as determined by the Board at the time of the issuance of each such series of Bonds, based on the amount of the proceeds of the sale of such Bonds that will be used to finance public facilities for IA No. 2 as compared to the amount of such proceeds that will be used to finance public facilities for any other Improvement Area. The Improvement Area No. 2 Allocation shall not change after all of the authorized Bonds have been issued for Improvement Area No. 2 or the Board has covenanted that no additional Bonds will be issued for Improvement Area No. 2.

“Improvement Area No. 2 Delinquency Amount” means, if a series of Bonds has been issued for IA No. 2 and any other Improvement Area, for any Fiscal Year, the amount required to (i) replenish the amount, if any, withdrawn from the Reserve Fund to pay debt service on such Bonds, as a result of delinquencies in the collection of Special Taxes levied in IA No. 2 in the preceding Fiscal Year, as determined by the District; and (ii) provide funds to offset reasonably anticipated delinquencies in the collection of Special Taxes to be levied in IA No. 2 based on the delinquency rate for Special Taxes levied in IA No. 2 in the preceding Fiscal Year.

“Improvement Area No. 2 Special Tax Requirement” means the amount required in any Fiscal Year, after taking into consideration any available funds, as determined by the District, to: (i) pay the portion of the Administrative Expenses allocable to IA No. 2, as determined by the District; (ii) pay the debt service on the Outstanding IA No. 2 Bonds; (iii) pay any costs related to the Outstanding IA No. 2 Bonds, including but not limited to, credit enhancement and rebate payments; (iv) pay directly or accumulate funds for paying the costs of authorized public facilities; and (v) replenish the amount, if any, withdrawn from the Reserve Fund to pay debt service on the Outstanding IA No. 2 Bonds as a result of delinquencies in the collection of Special Taxes levied in IA No. 2, as determined by the District; and (vi) provide for anticipated delinquent Special Taxes within IA No. 2 based on the Special Tax delinquency rate for the previous Fiscal Year. If a series of Bonds is issued for any combination of IA No. 2 and any other Improvement Area, the preceding clause (v) shall not apply and instead the Improvement Area No. 2 Special Tax Requirement shall include the following clause:

(v) prior to Buildout, pay the Improvement Area No. 2 Delinquency Amount or after Buildout, pay a portion of the Combined Delinquency Amount as determined by the District.

“Improvement Area No. 3” means all property located within the area identified as Improvement Area No. 3 on the boundary map for CFD No. 21.

“Improvement Area No. 3 Allocation” means, for each series of Bonds issued for Improvement Area No. 3 or for any combination of Improvement Area No. 3 and any other Improvement Area, the percentage of the annual debt service on such Bonds that will be allocated to IA No. 3, as determined by the Board at the time of the issuance of each such series of Bonds, based on the amount of the proceeds of the sale of such Bonds that will be used to finance public facilities for IA No. 3 as compared to the amount of such proceeds that will be used to finance public facilities for any other Improvement Area. The Improvement Area No. 3 Allocation shall not change after all of the authorized Bonds have been issued for I A No. 3 or the Board has covenanted that no additional Bonds will be issued for IA No. 3.

“Improvement Area No. 3 Delinquency Amount” means, if a series of Bonds is issued for IA No. 3 and any other Improvement Area, for any Fiscal Year, the amount required to (i) replenish the amount, if any, withdrawn from the Reserve Fund to pay debt service on such Bonds, as a result of delinquencies in the collection of Special Taxes levied in IA No. 3 in the preceding Fiscal Year, as determined by the District; and (ii) provide funds to offset reasonably anticipated delinquencies in the collection of Special Taxes to be levied in IA No. 3 based on the delinquency rate for Special Taxes levied in IA No. 3 in the preceding Fiscal Year.

“Improvement Area No. 3 Special Tax Requirement” means the amount required in any Fiscal Year, after taking into consideration any available funds, as determined by the District, to: (i) pay the portion of the Administrative Expenses allocable to IA No. 3, as determined by the District; (ii) pay the debt service on the Outstanding IA No. 3 Bonds; (iii) pay any costs related to the Outstanding IA No. 3 Bonds, including but not limited to, credit enhancement and rebate payments; (iv) pay directly or accumulate funds for paying the costs of authorized public facilities; and (v) replenish the amount, if any, withdrawn from the Reserve Fund to pay debt service on the Outstanding IA No. 3 Bonds as a result of delinquencies in the collection of Special Taxes levied in IA No. 3, as determined by the District; and (vi) provide for anticipated delinquent Special Taxes within IA No. 3 based on the Special Tax delinquency rate for the previous Fiscal Year. If a series of Bonds is issued for any combination of IA No. 3 and any other Improvement Area, the preceding clause (v) shall not apply and instead the Improvement Area No. 3 Special Tax Requirement shall include the following clause: (v) prior to Buildout, pay the Improvement Area No. 3 Delinquency Amount or after Buildout, pay a portion of the Combined Delinquency Amount as determined by the District.

“Indenture” means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing, amending or supplementing the same.

“Land Use Category” means any of the categories listed in Table 1, Table 2, and Table 2 below.

“Maximum Special Tax” means the maximum Special Tax, determined in accordance with Section C, that can be levied by the Board in any Fiscal Year on any Parcel.

“Net Taxable Acre or Acreage” means that acreage shown on the Assessor’s Parcel Map for each Parcel, exclusive of Exempt Property. If the Assessor’s Parcel Map shows no acreage for a Parcel, the Net Taxable Acreage for the Parcel shall be as shown on or determined from the recorded final subdivision map, parcel map, or functionally equivalent map or instrument for the Parcel.

“Non-Prepayment Principal Amount” means, for each series of Bonds, the original principal amount of such Bonds minus the principal amount of such Bonds that have been paid at maturity or have been redeemed or defeased other than from prepayments of the Special Tax.

“Non-Residential Property” means all Parcels of Developed Property for which a building permit has been issued for the construction of a building that is not a Dwelling Unit.

“Outstanding IA No. 1 Bonds” means the amount obtained (a) by multiplying the Non-Prepayment Principal Amount for each series of Bonds that is issued for Improvement Area No. 1 or for any combination of Improvement Area No. 1 and any other Improvement Area, by the Improvement Area No. 1 Allocation, and (b) by subtracting from the product thus obtained the principal amount of the Bonds, if any, that have been redeemed or defeased as a result of the prepayment of the Special Tax obligations for Parcels located in IA No. 1.

“Outstanding IA No. 2 Bonds” means the amount obtained (a) by multiplying the Non-Prepayment Principal Amount for each series of Bonds that is issued for Improvement Area No. 2 or for any combination of Improvement Area No. 2 and any other Improvement Area, by the Improvement Area No. 2 Allocation, and (b) by subtracting from the product thus obtained the principal amount of the Bonds, if any, that have been redeemed or defeased as a result of the prepayment of the Special Tax obligation for Parcels located in IA No. 2.

“Outstanding IA No. 3 Bonds” means the amount obtained (a) by multiplying the Non-Prepayment Principal Amount for each series of Bonds that is issued for Improvement Area No. 3 or for any combination of Improvement Area No. 3 and any other Improvement Area, by the Improvement Area No. 3 Allocation, and (b) by subtracting from the product thus obtained the principal amount of the Bonds, if any, that have been redeemed or defeased as a result of the prepayment of the Special Tax obligation for Parcels located in IA No. 3.

“Parcel” means a lot or parcel shown on an Assessor’s Parcel Map with an assigned assessor’s parcel number as of the date of the levy of the Special Taxes for each Fiscal Year.

“Property Owner Association Property” means any property within the boundaries of CFD No. 21 owned by or dedicated to a property owner association, including any master or sub-association.

“Proportionately” means for Parcels of Developed Property in an Improvement Area that the ratio of the actual amount of the Special Tax levied on such Parcels to the Assigned Special Tax Rates for such Parcels is the same for all such Parcels. For Parcels of Undeveloped Property in an Improvement Area, “Proportionately” means that the ratio of the actual amount of the Special Tax levied per Acre on such Parcels to the Maximum Special Tax per Acre is the same for all such Parcels. For Parcels of Taxable Property Owner Association Property or Parcels of Taxable Public Property in an Improvement Area, “Proportionately” means that the ratio of the actual amount of the Special Tax levied per Acre on such Parcels to the Maximum Special Tax per Acre is the same for all such Parcels of Taxable Property Owner Association Property or all such Parcels of Taxable Public Property.

“Public Property” means any property within the boundaries of CFD No. 21 that is used for public rights-of-way or any other public purpose and is owned by or dedicated or irrevocably offered for dedication to the federal government, the State of California, the County, or any other public agency; provided, however, that any property leased by a public agency; to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use.

“Reserve Fund” means the Reserve Fund for the Bonds established by the Indenture to secure the payment of debt service on the Bonds, to the full extent of the amount on deposit therein, in the event

of delinquencies in the payment of Special Taxes levied on Parcels of Taxable Property in any Improvement Area or Improvement Areas.

“Reserve Requirement” means the Reserve Requirement as defined in the Indenture for any series of Bonds.

“Residential Floor Space” means the square footage of a Dwelling Unit, exclusive of garages, as shown on or calculated from the appropriate building records of the County Building and Safety Department.

“Residential Property” means all Parcels of Developed Property upon which a Dwelling Unit is located or for which a building permit has been issued for the purpose of constructing a Dwelling Unit.

“Special Tax” means the special tax to be levied in each Fiscal Year on a Parcel of Taxable Property to fund the Improvement Area No. 1 Special Tax Requirement, the Improvement Area No. 2 Special Tax Requirement, or the Improvement Area No. 3 Special Tax Requirement, as applicable.

“Taxable Property” means all Parcels that are not Exempt Property.

“Taxable Property Owner Association Property” means all Parcels of Property Owner Association Property that are not Exempt Property.

“Taxable Public Property” means all Parcels of Public Property that are not Exempt Property.

“Trustee” means the trustee or fiscal agent under the Indenture.

“Undeveloped Property” means all Parcels which are not classified as Developed Property, Public Property or Property Owner Association Property.

B. CLASSIFICATION AND ASSIGNMENT TO LAND USE CATEGORY

For each Fiscal Year (commencing with the 2005-2006 Fiscal Year) all Parcels within IA No. 1, IA No. 2, and IA No. 3 shall be classified as Developed Property, Taxable Public Property, Taxable Property Owner Association Property, Undeveloped Property, or Exempt Property, and shall be subject to the levy of Special Taxes in accordance with the rates and method of apportionment of the Special Taxes as set forth in Sections C and D below.

C. MAXIMUM SPECIAL TAX

1. IMPROVEMENT AREA NO. 1

a. Improvement Area No. 1 Developed Property

For purposes of determining the applicable Maximum Special Tax, Parcels of Developed Property within IA No. 1 shall be assigned to a Land Use Category as specified in Table 1. Parcels of Residential Property shall be assigned to Land Use Category 1, 2, 3 or 4, based upon the Residential Floor Space of the Dwelling Unit(s) on or to be constructed on a Parcel as provided in the most recent building permit issued for such Parcel. Parcels of Non-Residential Property shall be assigned to Land Use Category 5.

(i) Maximum Special Tax

The Maximum Special Tax for Residential Property shall be the greater of (i) the amount determined by multiplying the Dwelling Unit(s) on or to be constructed on the Parcel by the applicable Assigned Special Tax Rate per Dwelling Unit specified in Table 1 below, or (ii) the Alternate Special Tax.

The Maximum Special Tax for Non-Residential Property shall be determined by multiplying the Net Taxable Acreage of the Parcel by the Assigned Special Tax Rate for Non-Residential Property as specified in Table 1.

(ii) Assigned Special Tax Rates

The Assigned Special Tax Rates for all Land Use Categories for Fiscal Year 2005-06 are shown below in Table 1.

Table 1
Assigned Special Tax Rates for
Improvement Area No. 1
Community Facilities District No. 21
Fiscal Year 2005-06

Land Use Category	Description	Residential Floor Space	FY 2005-06 Assigned Special Tax Rate
1	Residential Property	≥ 5,100 sq. ft.	\$3,387 per Dwelling Unit
2	Residential Property	4,500 – 5,099 sq. ft.	\$3,154 per Dwelling Unit
3	Residential Property	3,900 – 4,499 sq. ft.	\$2,968 per Dwelling Unit
4	Residential Property	≤ 3,900 sq. ft.	\$2,875 per Dwelling Unit
5	Non-Residential Property	N/A	\$2,460 per Net Taxable Acre

(iii) Increase in the Assigned Special Tax

The Assigned Special Tax Rates in Table 1 shall be applicable for Fiscal Year 2005-06, and shall increase thereafter, commencing on July 1, 2006 and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2%) of the Assigned Special Tax Rate for the previous Fiscal Year.

(iv) Alternate Special Tax

At the time a Final Map is recorded, the Alternate Special Tax for Fiscal Year 2005-06 for all Parcels of Developed Property which are or will be categorized as Residential Property within such Final Map shall be determined by multiplying the total Net Taxable Acreage of Taxable Property, excluding the Net Taxable Acreage of Non-Residential Property, Taxable Property Owner Association Property and Taxable Public Property, if any, in such Final Map, by \$2,460 and dividing the product by the total number of Dwelling Units within such Final Map. The Alternate Special Tax shall increase commencing on July 1, 2006 and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2%) of the Alternate Special Tax for the previous Fiscal Year.

Notwithstanding the foregoing, if all or any portion of a Final Map is subsequently changed or modified, then the Alternate Special Tax for each Parcel of Developed Property classified or to be classified as Residential Property in such Final Map or the portion thereof that is changed or modified shall be a rate per square foot calculated as follows:

1. Determine the total amount of the Alternate Special Tax for the changed or modified portion of the Final Map prior to the change or modification.
2. Divide the amount determined pursuant to paragraph 1 above by the Net Taxable Acreage of Parcels of Residential Property which are expected to be located in such changed or modified portion of the Final Map, as determined by the District.
3. The resulting quotient is the Alternate Special Tax per Net Taxable Acre, which shall be applicable to Parcels of Residential Property in such changed or modified portion of the Final Map for all remaining Fiscal Years in which the Special Tax may be levied.

b. Improvement Area No. 1 Taxable Property Owner Association Property, Taxable Public Property and Undeveloped Property

The Fiscal Year 2005-06 Maximum Special Tax for each Parcel of Taxable Public Property, Taxable Property Owner Association Property and Undeveloped Property shall be determined by multiplying Net Taxable Acreage of the Parcel by \$2,490. The Maximum Special Tax shall increase, commencing on July 1, 2006 and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2%) of the Maximum Special Tax for the previous Fiscal Year.

2. IMPROVEMENT AREA NO. 2

a. Improvement Area No. 2 Developed Property

For purposes of determining the applicable Maximum Special Tax, Parcels of Developed Property within IA No. 2 shall be assigned to a Land Use Category as specified in Table 2. Parcels of Residential Property shall be assigned to Land Use Category 1, 2, or 3, based upon the Residential Floor Space of the Dwelling Unit(s) on or to be constructed on a Parcel as provided in the most recent building permit issued for such Parcel. Parcels of Non-Residential Property shall be assigned to Land Use Category 4.

(i) Maximum Special Tax

The Maximum Special Tax for Residential Property shall be the greater of (i) the amount determined by multiplying the Dwelling Unit(s) on or to be constructed on the Parcel by the applicable Assigned Special Tax Rate per Dwelling Unit specified in Table 2 below, or (ii) the Alternate Special Tax.

The Maximum Special Tax for Non-Residential Property shall be determined by multiplying the Net Taxable Acreage of the Parcel by the Assigned Special Tax Rate for Non-Residential Property as specified in Table 2.

(ii) Assigned Special Tax Rates

The Assigned Special Tax Rates for all Land Use Categories for Fiscal Year 2005-06 are shown below in Table 2.

Table 2
Assigned Special Tax Rates for
Improvement Area No. 2
Community Facilities District No. 21
Fiscal Year 2005-06

Land Use Category	Description	Residential Floor Space	FY 2005-06 Assigned Special Tax Rate
1	Residential Property	≥ 5,000 sq. ft.	\$3,547 per Dwelling Unit
2	Residential Property	4,000 – 4,999 sq. ft.	\$3,305 per Dwelling Unit
3	Residential Property	≤ 4,000 sq. ft.	\$3,015 per Dwelling Unit
4	Non-Residential Property	N/A	\$4,259 per Net Taxable Acre

(iii) Increase in the Assigned Special Tax

The Assigned Special Tax Rates in Table 2 shall be applicable for Fiscal Year 2005-06, and shall increase thereafter, commencing on July 1, 2006 and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2%) of the Assigned Special Tax Rate for the previous Fiscal Year.

(iv) Alternate Special Tax

At the time a Final Map is recorded, the Alternate Special Tax for Fiscal Year 2005-06 for all Parcels of Developed Property which are or will be categorized as Residential Property within such Final Map shall be determined by multiplying the total Net Taxable Acreage of Taxable Property, excluding the Net Taxable Acreage of Non-Residential Property, Taxable Property Owner Association Property, and Taxable Public Property, if any, in such Final Map, by \$4,259 and dividing the product by the total number of Dwelling Units as shown on such Final Map. The Alternate Special Tax shall increase commencing on July 1, 2006 and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2%) of the Alternate Special Tax for the previous Fiscal Year.

Notwithstanding the foregoing, if all or any portion of a Final Map is subsequently changed or modified, then the Alternate Special Tax for each Parcel of Developed Property classified or to be classified as Residential Property in such Final Map area or the portion thereof that is changed or modified shall be a rate per square foot calculated as follows:

1. Determine the total amount of the Alternate Special Tax for the changed or modified portion of the Final Map prior to the change or modification.
2. Divide the amount determined pursuant to paragraph 1 above by the Net Taxable Acreage of Parcels of Residential Property which are

expected to be located in such changed or modified portion of the Final Map, as determined by the District.

3. The resulting quotient is the Alternate Special Tax per Net Taxable Acre, which shall be applicable to Parcels of Residential Property in such changed or modified portion of the Final Map for all remaining Fiscal Years in which the Special Tax may be levied.

b. Improvement Area No. 2 Taxable Property Owner Association Property, Taxable Public Property and Undeveloped Property

The Fiscal Year 2005-06 Maximum Special Tax for each Parcel of Taxable Public Property, Taxable Property Owner Association Property and Undeveloped Property shall be determined by multiplying the Net Taxable Acreage of the Parcel by \$4,269. The Maximum Special Tax shall increase, commencing on July 1, 2006 and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2%) of the Maximum Special Tax for the previous Fiscal Year.

3. IMPROVEMENT AREA NO. 3

a. Improvement Area No. 3 Developed Property

For purposes of determining the applicable Maximum Special Tax, Parcels of Developed Property within IA No. 3 shall be assigned to a Land Use Category as specified in Table 3. Parcels of Residential Property shall be assigned to Land Use Category 1, 2, 3, 4 or 5, based upon the Residential Floor Space of the Dwelling Unit(s) on or to be constructed on a Parcel as provided in the most recent building permit issued for such Parcel. Parcels of Non-Residential Property shall be assigned to Land Use Category 6.

(i) Maximum Special Tax

The Maximum Special Tax for Residential Property shall be the greater of (i) the amount determined by multiplying the Dwelling Unit(s) on or to be constructed on the Parcel by the applicable Assigned Special Tax Rate per Dwelling Unit specified in Table 3 below, or (ii) the Alternate Special Tax.

The Maximum Special Tax for Non-Residential Property shall be determined by multiplying the Net Taxable Acreage of the Parcel by the Assigned Special Tax Rate for Non-Residential Property as specified in Table 3.

(ii) Assigned Special Tax Rates

The Assigned Special Tax Rates for all Land Use Categories for Fiscal Year 2005-06 are shown in Table 3.

Table 3
Assigned Special Tax Rates for
Improvement Area No. 3
Community Facilities District No. 21
Fiscal Year 2005-06

Land Use Category	Description	Residential Floor Space	FY 2005-06 Assigned Special Tax Rate
1	Residential Property	≥ 4,400 sq. ft.	\$2,983 per Dwelling Unit
2	Residential Property	4,000 – 4,399 sq. ft.	\$2,869 per Dwelling Unit
3	Residential Property	3,600 – 3,999 sq. ft.	\$2,709 per Dwelling Unit
4	Residential Property	3,200 – 3,599 sq. ft.	\$2,572 per Dwelling Unit
5	Residential Property	≤ 3,200 sq. ft.	\$2,413 per Dwelling Unit
6	Non-Residential Property	N/A	\$3,572 per Net Taxable Acre

(iii) Increase in the Assigned Special Tax

The Assigned Special Tax Rates in Table 3 shall be applicable for Fiscal Year 2005-06, and shall increase thereafter, commencing on July 1, 2006 and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2%) of the Assigned Special Tax Rate for the previous Fiscal Year.

(iv) Alternate Special Tax

At the time a Final Map is recorded, the Alternate Special Tax for Fiscal Year 2005-06 for all Parcels of Developed Property which are or will be categorized as Residential Property within such Final Map shall be determined by multiplying the total Net Taxable Acreage of Taxable Property, excluding the Net Taxable Acreage of Non-Residential Property, Taxable Property Owner Association Property, and Taxable Public Property, if any, in such Final Map, by \$3,572 and dividing the product by the total number of Dwelling Units within such Final Map. The Alternate Special Tax shall increase commencing on July 1, 2006 and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2%) of the Alternate Special Tax for the previous Fiscal Year.

Notwithstanding the foregoing, if all or any portion of a Final Map is subsequently changed or modified, then the Alternate Special Tax for each Parcel of Developed Property classified or to be classified as Residential Property in such Final Map or the portion thereof that is changed or modified shall be a rate per square foot calculated as follows:

1. Determine the total amount of the Alternate Special Tax for the changed or modified portion of the Final Map prior to the change or modification.
2. Divide the amount determined pursuant to paragraph 1 above by the Net Taxable Acreage of Parcels of Residential Property which are expected to be located in such changed or modified portion of the Final Map, as determined by the District.

3. The resulting quotient is the Alternate Special Tax per Net Taxable Acre, which shall be applicable to Parcels of Residential Property in such changed or modified portion of the Final Map for all remaining Fiscal Years in which the Special Tax may be levied.

b. Improvement Area No. 3 Taxable Property Owner Association Property, Taxable Public Property and Undeveloped Property

The Fiscal Year 2005-06 Maximum Special Tax for each Parcel of Taxable Public Property, Taxable Property Owner Association Property and Undeveloped Property shall be determined by multiplying Net Taxable Acreage of the Parcel by \$3,577. The Maximum Special Tax shall increase, commencing on July 1, 2006 and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2%) of the Maximum Special Tax for the previous Fiscal Year.

D. METHOD OF APPORTIONMENT AND LEVY OF THE SPECIAL TAX

1. IMPROVEMENT AREA NO. 1

Commencing with Fiscal Year 2006-2007 and for each following Fiscal Year, the Board shall determine the Improvement Area No. 1 Special Tax Requirement and shall levy the Special Tax in IA No. 1 until the amount of Special Taxes equals the Improvement Area No. 1 Special Tax Requirement. The Special Tax shall be levied each Fiscal Year as follows:

First: The Special Tax shall be levied Proportionately on each Parcel of Developed Property at up to 100% of the applicable Assigned Special Tax Rate to satisfy the Improvement Area No. 1 Special Tax Requirement;

Second: If additional monies are needed to satisfy the Improvement Area No. 1 Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property at up to 100% of the Maximum Special Tax for Undeveloped Property;

Third: If additional monies are needed to satisfy the Improvement Area No. 1 Special Tax Requirement after the first two steps have been completed, the Special Tax to be levied on each Parcel of Developed Property in IA No. 1 whose Maximum Special Tax is derived by the application of the Alternate Special Tax shall be increased in equal percentages from the Assigned Special tax up to the Maximum Special Tax for each such Parcel;

Fourth: If additional monies are needed to satisfy the Improvement Area No. 1 Special Tax Requirement after the first three steps have been completed, the Special Tax shall be levied Proportionately on each Parcel of Taxable Property Owner Association Property and Taxable Public Property at up to 100 % of the Maximum Special Tax for Taxable Property Owner Association Property and Taxable Public Property.

Notwithstanding the above, under no circumstances will the Special Tax levied against any Parcel of Residential Property in IA No. 1 for which an occupancy permit for private residential use has been issued be increased by more than ten percent (10%) as a consequence of delinquency or default by the owner of any other Parcel within CFD No. 21.

2. IMPROVEMENT AREA NO. 2

Commencing with Fiscal Year 2006-2007 and for each following Fiscal Year, the Board shall determine the Improvement Area No. 2 Special Tax Requirement and shall levy the Special Tax in IA No. 2 until the amount of Special Taxes equals the Improvement Area No. 2 Special Tax Requirement. The Special Tax shall be levied each Fiscal Year as follows:

First: The Special Tax shall be levied Proportionately on each Parcel of Developed Property at up to 100% of the applicable Assigned Special Tax Rate to satisfy the Improvement Area No. 2 Special Tax Requirement;

Second: If additional monies are needed to satisfy the Improvement Area No. 2 Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property at up to 100% of the Maximum Special Tax for Undeveloped Property;

Third: If additional monies are needed to satisfy the Improvement Area No. 2 Special Tax Requirement after the first two steps have been completed, the Special Tax to be levied on each Parcel of Developed Property in IA No. 2 whose Maximum Special Tax is derived by the application of the Alternate Special Tax shall be increased in equal percentages from the Assigned Special tax up to the Maximum Special Tax for each such Parcel;

Fourth: If additional monies are needed to satisfy the Improvement Area No. 2 Special Tax Requirement after the first three steps have been completed, the Special Tax shall be levied Proportionately on each Parcel of Taxable Property Owner Association Property and Taxable Public Property at up to 100 % of the Maximum Special Tax for Taxable Property Owner Association Property and Taxable Public Property.

Notwithstanding the above, under no circumstances will the Special Tax levied against any Parcel of Residential Property in IA No. 2 for which an occupancy permit for private residential use has been issued be increased by more than ten percent (10%) as a consequence of delinquency or default by the owner of any other Parcel within CFD No. 21.

3. IMPROVEMENT AREA NO. 3

Commencing with Fiscal Year 2006-2007 and for each following Fiscal Year, the Board shall determine the Improvement Area No. 3 Special Tax Requirement and shall levy the Special Tax in IA No. 3 until the amount of Special Taxes equals the Improvement Area No. 3 Special Tax Requirement. The Special Tax shall be levied each Fiscal Year as follows:

First: The Special Tax shall be levied Proportionately on each Parcel of Developed Property at up to 100% of the applicable Assigned Special Tax Rate to satisfy the Improvement Area No. 3 Special Tax Requirement;

Second: If additional monies are needed to satisfy the Improvement Area No. 3 Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property at up to 100% of the Maximum Special Tax for Undeveloped Property;

Third: If additional monies are needed to satisfy the Improvement Area No. 3 Special Tax Requirement after the first two steps have been completed, the Special Tax to be levied on each Parcel of Developed Property in IA No. 3 whose Maximum Special Tax is derived by

the application of the Alternate Special Tax shall be increased in equal percentages from the Assigned Special tax up to the Maximum Special Tax for each such Parcel;

Fourth: If additional monies are needed to satisfy the Improvement Area No. 3 Special Tax Requirement after the first three steps have been completed, the Special Tax shall be levied Proportionately on each Parcel of Taxable Property Owner Association Property and Taxable Public Property at up to 100 % of the Maximum Special Tax for Taxable Property Owner Association Property and Taxable Public Property.

Notwithstanding the above, under no circumstances will the Special Tax levied against any Parcel of Residential Property in IA No. 3 for which an occupancy permit for private residential use has been issued be increased by more than ten percent (10%) as a consequence of delinquency or default by the owner of any other Parcel within CFD No. 21.

E. EXEMPTIONS

1. IMPROVEMENT AREA NO. 1

The Board shall not levy Special Taxes on: (i) up to 27.44 acres of Public Property and Property Owner Association Property within IA No. 1 and (ii) any Parcels for which the Special Tax obligation has been prepaid in full pursuant to Section G.

Tax-exempt status for the acreage of parcels or portions of Parcels of Public Property and Property Owner Association Property will be irrevocably assigned by the District in the chronological order in which such Parcels or portions of Parcels become Exempt Property.

Notwithstanding the preceding provisions of this Section E, Parcels or portions of Parcels conveyed or irrevocably offered for dedication to federal, state or local governments after formation of CFD No. 21, and not otherwise exempt pursuant to this Section E, shall be subject to the Special Tax pursuant to Section 53317.3 or 53317.5 of the Act and classified as Taxable Public Property.

2. IMPROVEMENT AREA NO. 2

The Board shall not levy Special Taxes on: (i) up to 8.18 acres of Public Property and Property Owner Association Property within IA No. 2 and (ii) any Parcels for which the Special Tax obligation has been prepaid in full pursuant to Section G.

Tax-exempt status for the acreage of parcels or portions of Parcels of Public Property and Property Owner Association Property will be irrevocably assigned by the District in the chronological order in which such Parcels or portions of Parcels become Exempt Property.

Notwithstanding the preceding provisions of this Section E, Parcels or portions of Parcels conveyed or irrevocably offered for dedication to federal, state or local governments after formation of CFD No. 21, and not otherwise exempt pursuant to this Section E, shall be subject to the Special Tax pursuant to Section 53317.3 or 53317.5 of the Act and classified as Taxable Public Property.

3. IMPROVEMENT AREA NO. 3

The Board shall not levy Special Taxes on: (i) up to 9.56 acres of Public Property and Property Owner Association Property within IA No. 3 and (ii) any Parcels for which the Special Tax obligation has been prepaid in full pursuant to Section G.

Tax-exempt status for the acreage of parcels or portions of Parcels of Public Property and Property Owner Association Property will be irrevocably assigned by the District in the chronological order in which such Parcels or portions of Parcels become Exempt Property.

Notwithstanding the preceding provisions of this Section E, Parcels or portions of Parcels conveyed or irrevocably offered for dedication to federal, state or local governments after formation of CFD No. 21, and not otherwise exempt pursuant to this Section E, shall be subject to the Special Tax pursuant to Section 53317.3 or 53317.5 of the Act and classified as Taxable Public Property.

F. MANNER OF COLLECTION

The Special Taxes will be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that prepayments are permitted as set forth in Section G below; and provided further that the District may directly bill all or part of the Special Taxes, and may collect the Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of CFD No. 21. Furthermore, the Board may authorize the collection of delinquent Special Taxes by judicial foreclosure proceedings pursuant to Section 53356.1 of the Act.

G. PREPAYMENT AND SATISFACTION OF SPECIAL TAX OBLIGATION

1. Prepayment in Full

The Special Tax obligation for any Parcel of Developed Property or any Parcel of Undeveloped Property for which a building permit has been issued may be prepaid and permanently satisfied as provided herein, provided that a prepayment may be made only if at the time of the prepayment there are no delinquent Special Taxes with respect to such Parcel and all other Parcels which are under the same ownership and located within CFD No. 21. An owner of a Parcel intending to prepay the Special Tax obligation shall provide the District with written notice of intent to prepay. Within 30 days of receipt of such written notice, the District shall notify such owner of the Prepayment (as defined below) for such Parcel and the date through which the amount of the Prepayment will be valid.

The following additional definitions apply to this Section G.1:

“Construction Fund” means a fund or account specifically identified in the Indenture to hold funds which are available to acquire or construct public facilities for CFD No. 21 or any Improvement Area.

“Construction Inflation Index” means the Engineering News-Record Building Cost Index for the City of Los Angeles, measured as of the calendar year which ends in the previous Fiscal Year. In the event this index ceases to be published, the Construction Inflation Index shall be another index which is determined by the District to be reasonably comparable.

“Outstanding Bonds” means all Bonds which will remain outstanding after the first interest and/or principal payment date following the then current Fiscal Year, excluding Bonds to be redeemed at a later date with the proceeds of prior prepayments of the Special Tax obligation.

“Relevant Improvement Area” means the Improvement Area in which the prepaying Parcel is located.

“Prepayment” means an amount equal to the sum of (1) Principal, (2) Premium, (3) Improvement Area Future Facilities Cost, (4) Defeasance, and (5) Fees minus (A) Reserve

Fund Credit and (B) Capitalized Interest Credit, where the terms “Principal,” “Premium,” “Improvement Area Future Facilities Cost,” “Defeasance,” “Fees,” “Reserve Fund Credit,” and “Capitalized Interest Credit” have the following meanings:

“Principal” means the principal amount of the Bonds to be redeemed with the proposed prepayment and equals the greater of (i) the quotient derived by dividing (a) the total amount of Special Tax that could be collected if the Special Tax were levied on the Parcel intending to prepay at the Assigned Special Tax Rate for the Parcel by (b) the total amount of Special Tax that could be collected if the Special Tax were levied on all Parcels of Taxable Property in the Relevant Improvement Area (except Parcels which have prepaid the Special Tax obligation), as applicable, at the Assigned Special Tax Rates for all such Parcels, and by multiplying that quotient by Outstanding IA No. 1 Bonds, the Outstanding IA No. 2 Bonds, or the Outstanding IA No. 3 Bonds, as applicable, or (ii) the quotient derived by dividing (a) the total amount of Special Tax that could be collected if the Special Tax were levied on the Parcel intending to prepay at the Alternate Special Tax rate for the Parcel by (b) the total amount of Special Taxes that could be collected if Special Taxes were levied on all Parcels of Taxable Property in the Relevant Improvement Area based on the Alternate Special Tax in the current Fiscal Year based on expected development through buildout of CFD No. 21, as determined by the District (except Parcels which have prepaid the Special Tax obligation) and by multiplying that quotient by Outstanding IA No. 1 Bonds, the Outstanding IA No. 2 Bonds, or the Outstanding IA No. 3 Bonds, as applicable.

“Premium” means an amount equal to the Principal multiplied by the redemption premium, if any, for the Bonds which will be redeemed with the prepayment.

“Prepaid Future Facilities Cost” means the amount of future facilities to be funded through the proposed Prepayment and equals the product of the applicable Improvement Area Future Facilities Cost and the greater of (i) the quotient derived by dividing (a) the total amount of Special Tax that could be collected if the Special Tax were levied on the Parcel intending to prepay at the Assigned Special Tax Rate for the Parcel by (b) the total amount of Special Tax that could be collected if the Special Tax were levied on all Parcels of Taxable Property in the Relevant Improvement Area at the Assigned Special Tax Rates for all such Parcels assuming full build out of the Relevant Improvement Area, as determined by the District, or (ii) the quotient derived by dividing (a) the total amount of Special Tax that could be collected if the Special Tax were levied on the Parcel intending to prepay at the Alternate Special Tax for the Parcel by (b) the total amount of Special Taxes that could be collected if the Special Tax were levied on all Parcels of Taxable Property in the Relevant Improvement Area based on the Alternate Special Tax in the current Fiscal Year based on expected development through buildout of CFD No. 21 or the Relevant Improvement Area, as determined by the District (except Parcels which have prepaid the Special Tax obligation).

“Improvement Area Future Facilities Cost” means the applicable Improvement Area Public Facilities Amount minus (i) public facilities costs previously paid from the Construction Fund which are related to the Relevant Improvement Area and (ii) moneys currently on deposit in the Construction Fund which are allocable to the Relevant Improvement Area; provided that in no event shall the Improvement Area Future Facilities Cost be less than zero.

“Improvement Area Public Facilities Amount” means \$4,700,000 for IA No. 1, \$2,300,000 for IA No. 2, and \$1,800,000 for IA No. 3, expressed in 2005 dollars, which shall increase by the annual percentage change in the Construction Inflation Index on July 1, 2006, and on each July 1 thereafter, or such lower amount as is determined by the District as being

sufficient to provide for the acquisition and construction of public facilities for such Improvement Area.

“Defeasance” means the amount needed to pay interest on the Principal until the earliest redemption date for the Outstanding Bonds less the earnings from the investment of the amount of the Principal less the Fees until the redemption date for the Outstanding Bonds to be redeemed with the Prepayment. Credit shall also be given for any Special Tax which has been paid for the Parcel intending to prepay but which has not yet been expended for purposes for which the Special Tax was levied.

“Fees” means administrative fees and expenses associated with the Prepayment as determined by or on behalf of the District including, but not limited to, the costs of computing the Prepayment, the costs of removing any Special Taxes from the tax roll, the costs of redeeming the Bonds, and the costs of recording and publishing any notices to evidence the Prepayment and the redemption of Bonds.

“Reserve Fund Credit” means the lesser of (i) the expected reduction in the applicable Reserve Requirement (as defined in the Indenture) following the redemption of Bonds with the Prepayment or (ii) the amount derived by subtracting the new Reserve Requirement which will be in effect after the redemption of Bonds with the Prepayment from the amount on deposit in the Reserve Fund on the prepayment date, but in no event shall such amount be less than zero.

“Capitalized Interest Credit” means the pro rata amount of capitalized interest on the Outstanding Bonds, if any, which is allocable to the Parcel intending to prepay the Special Tax obligation and equals the greater of (i) the quotient derived by dividing (a) the total amount of Special Tax revenues that could be collected if the Special Tax were levied on the Parcel in the amount of the Assigned Special Tax Rate for the Parcel by (b) the total amount of Special Tax that could be collected if the Special Tax were levied on all Parcels of Taxable Property (except Parcels which have prepaid the Special Tax obligation) in the amount of the Assigned Special Tax Rates for all such Parcels, and by multiplying that quotient by the remaining amount of capitalized interest or (ii) the quotient derived by dividing (a) the total amount of Special Tax that could be collected if the Special Tax were levied on the Parcel intending to prepay at the Alternate Special Tax for the Parcel by (b) the total amount of Special Taxes that could be collected if the Special Tax were levied on all Parcels of Taxable Property in the Relevant Improvement Area based on the Alternate Special Tax for all such Parcels and the expected development through buildout of CFD No. 21, as determined by the District (except Parcels which have prepaid the Special Tax obligation) and by multiplying that quotient by the remaining amount of capitalized interest.

The Prepayment, exclusive of the Improvement Area Future Facilities Cost, shall be paid to the District and shall be used to pay and redeem Bonds in accordance with the Indenture and to pay the Fees. The Improvement Area Future Facilities Cost shall be retained in the Construction Fund. Upon the payment of the Prepayment to the District, the obligation to pay the Special Tax for the prepaying Parcel shall be deemed to be permanently satisfied, the Special Tax shall not be levied thereafter on the Parcel, and the District shall cause a notice of cancellation of the Special Tax lien for such Parcel to be recorded.

Notwithstanding the foregoing, no prepayment of the Special Tax obligation for any Parcel shall be allowed unless the total amount of the Special Tax that could be levied on all Parcels of Taxable Property (excluding Taxable Property Owner Association Property and Taxable Public Property) in the Relevant Improvement Area pursuant to Section D after the proposed prepayment would be at least equal to the sum of (i) the portion of the Administrative Expenses allocable to the Relevant

Improvement Area and (ii) an amount equal to one hundred ten percent (110%) of annual debt service on the Outstanding IA No. 1 Bonds, the Outstanding IA No. 2 Bonds or the Outstanding IA No. 3 Bonds, as appropriate, which will remain outstanding following the redemption of Bonds with the Prepayment.

2. Prepayment in Part

An owner of not less than 15 Parcels of Residential Property or the owner of a Parcel of Residential Property upon which not less than 15 Dwelling Units will be constructed may partially prepay the obligation of all such Parcels or such Parcel to pay the Special Tax by the same percentage for each such Parcel or Dwelling Unit (a "Partial Prepayment"). An owner of a single Parcel of Residential Property that has been or will be improved with a single Dwelling Unit will not be allowed to make a Partial Prepayment for the Parcel. The owner of a Parcel of Undeveloped Property for which a building permit has been issued which will not cause the Parcel to be Residential Property may partially prepay the obligation of the Parcel to pay the Special Tax obligation (also a "Partial Prepayment"). However, no Partial Prepayment shall be allowed if there are delinquent Special Taxes for the Parcel or any other Parcel which is also owned by the owner of the Parcel or Parcels proposing the Partial Prepayment.

An owner of such a Parcel intending to prepay a portion of the Special Tax obligation for the Parcel shall provide the District with written notice of intent to prepay and the percentage of the Special Tax obligation to be prepaid. Within 30 days of receipt of such written notice, the District shall notify such owner of the Partial Prepayment amount for such Parcel and the date through which the amount of such Partial Prepayment shall be valid.

The amount of the Partial Prepayment shall be calculated pursuant to Section G.1. and the following formula:

$$PP = (Pe \times F) + A$$

The abbreviated terms in this formula have the following meanings:

- PP = the Partial Prepayment
- Pe = the Prepayment amount calculated according to Section G.1.
- F = the percent by which the owner of the Parcel is partially prepaying the Special Tax obligation.
- A = the Fees determined in Section G.1.

The Partial Prepayment, exclusive of the portion thereof attributable to the Improvement Area Future Facilities Cost, shall be paid to the District and shall be used to pay and redeem Bonds in accordance with the Indenture and to pay the Fees. The portion of the Partial Prepayment attributable to the Improvement Area Future Facilities Cost shall be retained in the Construction Fund. Upon the payment of the Partial Prepayment to the District, a portion of the Special Tax equal to the percentage $(1.00 - F)$ of the remaining Special Tax obligation shall continue to be authorized to be levied on such Parcel pursuant to Section D.

Notwithstanding the foregoing, no Partial Prepayment shall be allowed unless the total amount of the Special Tax that could be levied on all Parcels of Taxable Property (except Taxable Property Owner Association Property and Taxable Public Property) in the Relevant Improvement Area pursuant to Section D after the proposed Partial Prepayment would be at least equal to the sum of (i) the portion of the Administrative Expenses that is allocable to the Relevant Improvement Area and (ii) an amount equal to one hundred ten percent (110%) of annual debt service on the Outstanding IA No. 1 Bonds, the Outstanding IA No. 2 Bonds or the Outstanding IA No. 3 Bonds, as appropriate, which will remain outstanding following the redemption of Bonds with the Partial Prepayment.

H. TERM OF SPECIAL TAX

1. Improvement Area No. 1

For each year that any Bonds which are secured by Special Taxes levied on Parcels in IA No. 1 are outstanding, the Special Tax shall be levied on all Parcels of Taxable Property in IA No. 1. No Special Tax shall be levied on any Parcel in IA No. 1 after the 2045-46 Fiscal Year.

2. Improvement Area No. 2

For each year that any Bonds which are secured by Special Taxes levied on Parcels in IA No. 2 are outstanding, the Special Tax shall be levied on all Parcels of Taxable Property in IA No. 2. No Special Tax shall be levied on any Parcel in IA No. 2 after the 2045-46 Fiscal Year.

3. Improvement Area No. 3

For each year that any Bonds which are secured by Special Taxes levied on Parcels in IA No. 3 are outstanding, the Special Tax shall be levied on all Parcels of Taxable Property in IA No. 3. No Special Tax shall be levied on any Parcel in IA No. 3 after the 2045-46 Fiscal Year.

I. RELIEF FROM ALTERNATE SPECIAL TAX

All Parcels within IA No. 1, IA No. 2 or IA No. 3 will be relieved simultaneously and permanently from the obligation to pay and disclose the Alternate Special Tax if the Board determines that the total amount of the Special Taxes which could be levied in any Fiscal Year on all Parcels of Developed Property in IA No. 1, IA No. 2 or IA No. 3 based on the Assigned Special Tax for such Parcels would be equal to at least 110 percent of maximum annual debt service on the Outstanding IA No. 1 Bonds, the Outstanding IA No. 2 Bonds or the Outstanding IA No. 3 Bonds, as applicable, plus the portion of estimated annual Administrative Expenses that is allocable to IA No. 1, IA No. 2 or IA No. 3, as applicable, in any such Fiscal Year with respect to the Outstanding IA No. 1 Bonds, the Outstanding IA No. 2 Bonds or the Outstanding IA No. 3 Bonds, as applicable.

Notwithstanding the provisions of the preceding paragraph, if Bonds are issued in a single series for any combination of Improvement Areas, the Parcels in any such Improvement Area may only be relieved from the obligation to pay and disclose the Alternate Special Tax if the Board determines that the total amount of the Special Taxes which could be levied in any Fiscal Year on all Parcels of Developed Property in such Improvement Area and such other Improvement Area(s) based on the Assigned Special Tax Rates for such Parcels would be equal to at least 110 percent of maximum annual debt service on the combination of Outstanding IA No. 1 Bonds, the Outstanding IA No. 2 Bonds or the Outstanding IA No. 3 Bonds, as applicable, plus the portion of estimated Administrative Expenses in any such Fiscal Year that is allocable to such Improvement Areas.

J. RESERVE FUND

The Reserve Fund shall be initially funded at the Reserve Requirement from the proceeds of the sale of each series of the Bonds which may be issued for any Improvement Area or any combination of Improvement Areas. The Reserve Fund shall be equally available to the full extent of the funds on deposit therein to pay debt service on any one of more series of the Bonds which may be issued for any Improvement Area or any combination of Improvement Areas in the event and to the extent of delinquencies in the payment of the Special Taxes levied on Taxable Property in any Improvement

Area or any Improvement Areas. Funds withdrawn from the Reserve Fund to pay debt service on the Bonds as a result of delinquencies in the payment of Special Taxes levied in one or more Improvement Areas shall be restored (i) from the revenues derived from the levy and collection of Special Taxes as provided in the definition or definitions of Improvement Area No. 1 Special Tax Requirement, Improvement Area No. 2 Special Tax Requirement, or Improvement Area No. 3 Special Tax Requirement, as appropriate, and (ii) from the collection of delinquent Special Taxes and penalties and interest thereon.

**RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR
COMMUNITY FACILITIES DISTRICT NO. 22 OF
RIVERSIDE UNIFIED SCHOOL DISTRICT**

Special Taxes (defined below) shall be levied on all Parcels (defined below) located within the boundaries of Community Facilities District No. 22 of Riverside Unified School District (“CFD No. 22”). The amount of Special Tax to be levied on a Parcel in any Fiscal Year (defined below) shall be determined by the Board of Education of Riverside Unified School District (the “Board” and the “District”), in accordance with the rates and method of apportionment of the Special Taxes described below. All of the property in CFD No. 22, unless exempted by law or Section E shall be taxed for the purposes, to the extent, and in the manner provided herein.

A. DEFINITIONS

“**Act**” means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California.

“**Administrative Expenses**” means the following actual or reasonably estimated costs directly related to the administration of CFD No. 22: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the District, CFD No. 22, or an agent thereof); the costs of collecting the Special Taxes (whether by the District or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the District, CFD No. 22 or any agent thereof in complying with arbitrage rebate requirements; the costs to the District, CFD No. 22 or any agent thereof in complying with District or CFD No. 22 disclosure requirements associated with applicable federal and state securities laws and the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquires regarding the Special Taxes; the costs associated with the release of funds from an escrow account associated with the Bonds issued for CFD No. 22; and the District’s and CFD No. 22’s annual administration fees and third party expenses. Administrative Expenses shall also include funding or reimbursement of amounts estimated or advanced by the District or CFD No. 22 for any other administrative purposes of the District or CFD No. 22, including attorney’s fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

“**Alternate Special Tax**” means the applicable alternate special tax for a Parcel as calculated pursuant to Section C.

“**Assessor’s Parcel Map**” means an official map of the Assessor of the County of Riverside designating Parcels by assessor’s parcel number.

“**Assigned Special Tax Rate**” means the applicable assigned special tax rate for a Parcel specified in Table 1 in Section C.

“**Bonds**” means any bonds or other debt (as defined in Section 53317(d) of the Act), whether in one or more series, issued by CFD No. 22 under the Act.

“**Developed Property**” means for any Fiscal Year all Taxable Property, exclusive of Taxable Property Owner Association Property and Taxable Public Property, for which a building permit was issued as of March 1 of the prior Fiscal Year.

“**Dwelling Unit**” means any residential structure including, but not limited to apartments, condominiums, townhouses, and single-family detached houses, offered for rent or for sale for which a building permit was issued as of March 1 of the prior Fiscal Year.

“Exempt Property” means any Parcel that is exempt from the levy of Special Taxes pursuant to Section E or the Act.

“Final Map” means a subdivision of property by recordation of a final map, parcel map, or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq.*) or recordation of a condominium plan pursuant to California Civil Code Section 1352 that creates individual lots for which building permits may be issued without further subdivision.

“Fiscal Year” means the twelve month period starting on July 1 of any calendar year and ending the following June 30.

“Indenture” means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing, amending or supplementing the same.

“Maximum Special Tax” means the maximum Special Tax, determined in accordance with Section C that can be levied by the Board in any Fiscal Year on any Parcel.

“Net Taxable Acre or Acreage” means that acreage shown on the Assessor’s Parcel Map for each Parcel, exclusive of property exempt from the Special Tax pursuant to the Act or Section E. In the event that the Assessor’s Parcel Map shows no acreage for a Parcel, the Net Taxable Acreage for the Parcel shall be as shown on or determined from the Final Map or a functionally equivalent map or document for the Parcel.

“Non-Residential Property” means all Parcels of Developed Property for which a building permit has been issued for the construction of a building that is not a Dwelling Unit.

“Parcel” means a lot or parcel shown on an Assessor’s Parcel Map with an assigned assessor’s parcel number as of the date of the levy of the Special Taxes for each Fiscal Year.

“Property Owner Association Property” means any property within the boundaries of CFD No. 22 owned by or dedicated to a property owner association, including any master or sub-association.

“Proportionately” means for Developed Property that the ratio of the actual Special Tax levy to the Assigned Special Tax Rate is the same for all Parcels of Developed Property. For Parcels of Non-Residential Property, Undeveloped Property, Taxable Property Owner Association Property, and Taxable Public Property, “Proportionately” means that the ratio of the actual Special Tax levy per Net Taxable Acre to the Maximum Special Tax per Net Taxable Acre is the same for all Parcels of Non-Residential Property, Undeveloped Property, Taxable Property Owner Association Property or Taxable Public Property.

“Public Property” means any property within the boundaries of CFD No. 22 that is used for public rights-of-way or any other public purpose and is owned by or dedicated or irrevocably offered for dedication to the federal government, the State of California, the County, or any other public agency; provided, however, that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use.

“Residential Floor Space” means the square footage of a Dwelling Unit, exclusive of garages, as shown on or calculated from the appropriate building records of the City of Riverside Building Department.

“Special Tax” or **“Special Taxes”** means the special tax to be levied in each Fiscal Year on each Parcel of Taxable Property to fund the Special Tax Requirement.

“Special Tax Requirement” means the amount required in any Fiscal Year to: (i) pay debt service on all outstanding Bonds; (ii) pay periodic costs with respect to the Bonds, including but not limited to, credit enhancement and rebate payments; (iii) pay Administrative Expenses; (iv) pay directly or accumulate funds for paying the costs of authorized public facilities; (v) pay any amounts required to establish or replenish any reserve fund established for such Bonds; and (vi) pay for anticipated delinquent Special Taxes based on the delinquency rate for the Special Taxes levied in the previous Fiscal Year taking into account any available funds as determined by the District.

“Taxable Property” mean all Parcels that are not Exempt Property.

“Taxable Property Owner Association Property” means all Parcels of Property Owner Association Property that are not exempt pursuant to Section E.

“Taxable Public Property” means all Parcels of Public Property that are not exempt pursuant to Section E.

“Trustee” means the trustee or fiscal agent under the Indenture.

“Undeveloped Property” means all Taxable Property not classified as Developed Property, Taxable Property Owner Association Property or Taxable Public Property.

B. CLASSIFICATION OF PARCELS

For each Fiscal Year (commencing with the 2005-2006 Fiscal Year) all Parcels shall be classified as Developed Property, Taxable Public Property, Taxable Property Owner Association Property, Undeveloped Property or Exempt Property and shall be subject to the levy of Special Taxes in accordance with the rates and method of apportionment of the Special Taxes as set forth in Sections C and D.

For purposes of determining the applicable Maximum Special Tax pursuant to Section C, Parcels of Developed Property shall be assigned to a Land Use Category as specified in Table 1. Parcels of Residential Property shall be assigned to Land Use Categories 1 through 7 as specified in Table 1, based upon the Residential Floor Space of the Dwelling Unit(s) on or to be constructed on a Parcel as provided in the most recent building permit issued for such Parcel. Parcels of Non-Residential Property shall be assigned to Land Use Category 8 as specified in such table.

C. MAXIMUM SPECIAL TAX RATES

1. Developed Property

The Maximum Special Tax for each Parcel of Developed Property classified as Residential Property shall be the greater of (i) the amount determined by multiplying the number of Dwelling Unit(s) in each Land Use Category which are or will be located on the Parcel by the applicable Assigned Special Tax Rate per Dwelling Unit specified in Table 1, or (ii) the Alternate Special Tax.

The Maximum Special Tax for each Parcel of Developed Property which is assigned to Land Use Category 8 (Non-Residential Property) shall be determined by multiplying the Net Taxable Acreage of the Parcel by the applicable Assigned Special Tax Rate as specified in Table 1.

**Table 1
Assigned Special Tax Rates for Developed Property**

Land Use Category	Description	Residential Floor Space	Assigned Special Tax Rate
1	Residential Property	> 3,200 sq. ft.	\$3,683 per Dwelling Unit
2	Residential Property	2,951 to 3,200 sq. ft.	\$3,460 per Dwelling Unit
3	Residential Property	2,701 to 2,950 sq. ft.	\$3,259 per Dwelling Unit
4	Residential Property	2,201 to 2,700 sq. ft.	\$3,020 per Dwelling Unit
5	Residential Property	1,951 to 2,200 sq. ft.	\$2,864 per Dwelling Unit
6	Residential Property	1,701 to 1,950 sq. ft.	\$2,550 per Dwelling Unit
7	Residential Property	≤ 1,700 sq. ft.	\$2,252 per Dwelling Unit
8	Non-Residential Property	N/A	\$20,398 per Net Taxable Acre

b. Taxable Property Owner Association Property, Taxable Public Property and Undeveloped Property

The Maximum Special Tax for each Parcel of Taxable Property Owner Association Property, Taxable Public Property or Undeveloped Property shall be determined by multiplying Net Taxable Acreage of the Parcel by \$20,398.

c. Alternate Special Tax

At the time a Final Map is recorded, the Alternate Special Tax for all Parcels of Developed Property which are or will be categorized as Residential Property within such Final Map shall be determined by multiplying the total Net Taxable Acreage of Taxable Property, excluding the Net Taxable Acreage of Non-Residential Property, Taxable Property Owner Association Property, and Taxable Public Property, if any, in such Final Map, by the applicable Alternative Special Tax amount specified in Table 2 and dividing the product by the total number of Dwelling Units expected to be constructed within such Final Map.

**Table 2
Alternative Special Taxes for Residential Property**

Tract/Tentative Tract Number	Alternative Special Tax per Net Taxable Acre
30741	\$32,143 per Net Taxable Acre
31945	\$9,568 per Net Taxable Acre
32046	\$44,264 per Net Taxable Acre
32139	\$14,935 per Net Taxable Acre
Other	\$20,398 per Net Taxable Acre

Notwithstanding the foregoing, if all or any portion of a Final Map is subsequently changed or modified, then the Alternate Special Tax for each Parcel of Developed Property which is or will be categorized as Residential Property in such Final Map, or the portion thereof, that is changed or modified shall be a rate per Net Taxable Acre calculated as follows:

1. Determine the total Alternate Special Tax anticipated to apply to the changed or modified portion of the Final Map prior to the change or modification.

2. Divide the amount determined pursuant to paragraph 1 above by the Net Taxable Acreage of Parcels of Residential Property which are expected to be located in such changed or modified portion of the Final Map, as determined by the District.
3. The resulting quotient is the Alternate Special Tax per Net Taxable Acre, which shall be applicable to Parcels of Residential Property in such changed or modified portion of the Final Map for all remaining Fiscal Years in which the Special Tax may be levied.

D. METHOD OF APPORTIONMENT AND LEVY OF THE SPECIAL TAX

Commencing with Fiscal Year 2005-2006 and for each subsequent Fiscal Year, the Board shall determine the Special Tax Requirement and shall levy the Special Tax as follows.

First: The Special Tax shall be levied Proportionately on each Parcel of Developed Property at up to 100 percent of the applicable Assigned Special Tax Rate to satisfy the Special Tax Requirement;

Second: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property at up to 100 percent of the Maximum Special Tax for Undeveloped Property;

Third: If additional monies are needed to satisfy the Special Tax Requirement after the first two steps have been completed, the Special Tax to be levied on all Parcels of Developed Property, whose Maximum Special Tax is determined by application of the Alternate Special Tax, shall be increased in equal percentages from the applicable Assigned Special Tax Rate up to 100 percent of the Maximum Special Tax;

Fourth: If additional monies are needed to satisfy the Special Tax Requirement after the first three steps have been completed, the Special Tax shall be levied Proportionately on all Parcels of Taxable Property Owner Association Property and Taxable Public Property, up to 100 percent of the Maximum Special Tax for Taxable Property Owner Association Property and Taxable Public Property.

Notwithstanding the above, under no circumstances will the Special Tax levied against any Parcel of Residential Property for which an occupancy permit for private residential use has been issued be increased by more than ten percent (10%) as a consequence of delinquency or default by the owner of any other Parcel within CFD No. 22.

E. EXEMPTIONS

The Board shall not levy Special Taxes on: (i) up to 9.28 acres of Public Property and Property Owner Association Property and (ii) any Parcels for which the obligation to pay the Special Taxes has been prepaid in full pursuant to Section G.

Tax-exempt status for the acreage of Parcels or portions of Parcels of Public Property and Property Owner Association Property will be irrevocably assigned by the District in the chronological order in which such Parcels or portions of Parcels become Exempt Property.

Notwithstanding the preceding provisions of this Section E, Parcels or portions of Parcels conveyed or irrevocably offered for dedication to federal, state or local governments after formation of CFD No. 22, and not otherwise exempt pursuant to this Section E, shall be subject to the Special Tax pursuant to Section 53317.3 or 53317.5 of the Act and classified as Taxable Public Property.

F. MANNER OF COLLECTION

The Special Taxes levied on Parcels of Taxable Property will be collected in the same manner and at the same time as regular *ad valorem* property taxes; provided, however, that prepayments are permitted as set forth in Section G; and provided further that the District may directly bill all or part of the Special Taxes, and may collect the Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of CFD No. 22. Furthermore, the Board may authorize the collection of delinquent Special Taxes by judicial foreclosure proceedings pursuant to Section 53356.1 of the Act.

G. PREPAYMENT AND SATISFACTION OF SPECIAL TAX OBLIGATION

1. Prepayment in Full

The Special Tax obligation for any Parcel of Developed Property or Undeveloped Property for which a building permit has been issued may be prepaid and permanently satisfied as described herein, provided that a prepayment may be made only if at the time of the prepayment there are no delinquent Special Taxes with respect to such Parcel and all other Parcels which are under the same ownership and located within CFD No. 22. An owner of a Parcel intending to prepay the Special Tax obligation shall provide the District with a written request to prepay. Within 30 days of receipt of such written request, the District shall notify such owner of the prepayment amount for such Parcel and the date through which the amount of such prepayment shall be valid. Prepayment must be made not less than sixty (60) days prior to the next occurring date that notice of redemption of Bonds from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture.

The following additional definitions apply to this Section G.1.:

“CFD Public Facilities Amount” means \$3,604,408 expressed in 2005 dollars, which shall increase by the annual percentage change in the Construction Inflation Index on July 1, 2006 and on each July 1 thereafter, or such lower amount as is determined by the District as being sufficient to provide for the acquisition and construction of the public facilities for CFD No. 22.

“Construction Fund” means a fund or account specifically identified in the Indenture to hold funds which are available to acquire or construct public facilities for CFD No. 22.

“Construction Inflation Index” means the Engineering News-Record Building Index for the City of Los Angeles, for the calendar year which ends in the previous Fiscal Year. In the event that index ceases to be published, the Construction Inflation Index shall be another index which is determined by the District to be reasonably comparable to that index.

“Outstanding Bonds” means all Bonds which will remain outstanding after the first interest and/or principal payment date following the then current Fiscal Year, excluding Bonds to be redeemed at a later date with the proceeds of prior prepayments of the Special Tax obligation.

“Prepayment” means an amount equal to the sum of (1) Principal, (2) Premium, (3) Future Facilities Cost, (4) Defeasance, and (5) Fees minus (A) Reserve Fund Credit and (B) Capitalized Interest Credit, where the terms “Principal,” “Premium,” “Future Facilities Cost,” “Defeasance,” “Fees,” “Reserve Fund Credit,” and “Capitalized Interest Credit” have the following meanings:

“Principal” means the principal amount of Bonds to be redeemed with the proposed Prepayment and equals the greater of (i) the quotient derived by dividing (a) the total amount

of Special Tax that could be collected if the Special Tax were levied on the Parcel intending to prepay at the Assigned Special Tax Rate for the Parcel by (b) the total amount of Special Taxes estimated for all Parcels in CFD No. 22, based on the Assigned Special Tax Rates for Developed Property that could be levied in the current Fiscal Year, based on expected development through buildout of CFD No. 22 as determined by the District (except Parcels which have prepaid the Special Tax obligation) and by multiplying that quotient by the principal amount of the Outstanding Bonds, or (ii) the quotient derived by dividing (a) the total amount of Special Tax that could be collected if the Special Tax were levied on the Parcel intending to prepay at the Alternate Special Tax rate by (b) the total amount of Special Taxes estimated for all Parcels in CFD No. 22, based on the Alternate Special Taxes for Developed Residential Property and the Assigned Special Tax Rate for Non-Residential Property, that could be levied in the current Fiscal Year based on expected development through buildout of CFD No. 22, as determined by the District (except Parcels which have prepaid the Special Tax obligation) and by multiplying that quotient by the principal amount of the Outstanding Bonds.

“Premium” means an amount equal to the Principal multiplied by the redemption premium, if any, for the Bonds which will be redeemed with the Prepayment.

“Future Facilities Cost” means the CFD Public Facilities Amount minus (i) public facilities costs previously paid from the Construction Fund and (ii) moneys currently on deposit in the Construction Fund.

“Defeasance” means the amount needed to pay interest on the Principal until the earliest redemption date for the Bonds less the earnings from the investment of the amount of the Principal less the Fees until the redemption date for the Bonds to be redeemed with the Prepayment.

“Fees” means administrative fees and expenses associated with the Prepayment as determined by or on behalf of the District including, but not limited to, the costs of computing the Prepayment, the costs of removing any Special Taxes from the tax roll, the costs of redeeming the Bonds, and the costs of recording and publishing any notices to evidence the Prepayment and the redemption of Bonds.

“Reserve Fund Credit” means the lesser of (i) the expected reduction in the applicable Reserve Requirement (as defined in the Indenture) following the redemption of Bonds with the Prepayment or (ii) the amount derived by subtracting the new Reserve Requirement which will be in effect after the redemption of Bonds with the Prepayment from the amount on deposit in the Reserve Fund (as defined in the Indenture) on the prepayment date, but in no event shall such amount be less than zero.

“Capitalized Interest Credit” means the pro rata amount of capitalized interest, if any, on the Outstanding Bonds and equals the greater of (i) the quotient derived by dividing (a) the total amount of Special Tax that could be collected if the Special Tax were levied on the Parcel intending to prepay at the Assigned Special Tax Rate for the Parcel by (b) the total amount of Special Taxes estimated for all Parcels in CFD No. 22, based on the Assigned Special Taxes for Developed Property that could be levied in the current Fiscal Year, based on expected development through buildout of CFD No. 22, as determined by the District (except Parcels which have prepaid the Special Tax obligation) and by multiplying that quotient by the remaining amount of capitalized interest, or (ii) the quotient derived by dividing (a) the total amount of Special Tax that could be collected if the Special Tax were levied on the Parcel intending to prepay at the Alternate Special Tax rate by (b) the total amount of Special Taxes estimated for all Parcels in CFD No. 22, based on the Alternate

Special Taxes for Developed Residential Property and the Assigned Special Tax Rate for Non-Residential Property, that could be levied in the current Fiscal Year, based on expected development through buildout of CFD No. 22, as determined by the District (except Parcels which have prepaid the Special Tax obligation) and by multiplying that quotient by the remaining amount of capitalized interest.

The Prepayment, exclusive of the Future Facilities Cost, shall be paid to the District and shall be used to pay and redeem Bonds in accordance with the Indenture and to pay the Fees. The Future Facilities Cost shall be retained in the Construction Fund. Upon the payment of the Prepayment to the District, the obligation to pay the Special Tax for the prepaying Parcel shall be deemed to be permanently satisfied, the Special Tax shall not be levied thereafter on the Parcel, and the District shall cause a notice of cancellation of the Special Tax lien for such Parcel to be recorded.

Notwithstanding the foregoing, no Prepayment shall be allowed unless the total amount of the Special Tax that could be levied on all Parcels of Taxable Property pursuant to Section D after the proposed Prepayment would be at least equal to the sum of (i) the Administrative Expenses and (ii) an amount equal to one hundred ten percent (110%) of annual debt service on the Bonds, which will remain outstanding following the redemption of Bonds with the Prepayment.

2. Prepayment in Part

An owner of not less than 15 Parcels of Residential Property or the owner of a Parcel of Residential Property upon which not less than 15 Dwelling Units will be constructed may partially prepay the obligation of all such Parcels or such Parcel to pay the Special Tax by the same percentage for each such Parcel or Dwelling Unit (a "Partial Prepayment"). An owner of a single Parcel of Residential Property that has been or will be improved with a single Dwelling Unit will not be allowed to make a Partial Prepayment for the Parcel. The owner of a Parcel of Non-Residential Property or the owner of a Parcel of Undeveloped Property for which a building permit has been issued which will not cause the Parcel to be Residential Property may partially prepay the obligation of the Parcel to pay the Special Tax obligation (also a "Partial Prepayment"). No Partial Prepayment shall be allowed if there are delinquent Special Taxes for the Parcel or any other Parcel which is also owned by the owner of the Parcel or Parcels proposing the Partial Prepayment.

An owner of such a Parcel intending to prepay a portion of the Special Tax obligation for the Parcel shall provide the District with a written request to prepay specifying the percentage of the Special Tax obligation to be prepaid. Within 30 days of receipt of such written request, the District shall notify such owner of the Partial Prepayment amount for such Parcel and the date through which the amount any such Partial Prepayment shall be valid.

The amount of the Partial Prepayment shall be calculated pursuant to Section G.1. and the following formula:

$$PP = ((Pe - A) \times F) + A$$

The abbreviated terms in this formula have the following meanings:

- PP = the Partial Prepayment
- Pe = the Prepayment amount calculated according to Section G.1.
- F = the percent by which the owner of the Parcel is partial prepaying the Special Tax obligation.
- A = the Fees determined in Section G.1.

The Partial Prepayment, exclusive of the portion thereof attributable to the Future Facilities Cost, shall be paid to the District and shall be used to pay and redeem Bonds in accordance with the Indenture

and to pay the Fees. The portion of the Partial Prepayment attributable to Future Facilities Cost shall be retained in the Construction Fund. Upon the payment of the Partial Prepayment to the District, the portion of the Special Tax equal to a percentage (1.00 – F) of the remaining Special Tax obligation shall continue to be authorized to be levied on such Parcel pursuant to Section D.

Notwithstanding the foregoing, no Partial Prepayment shall be allowed unless the total amount of the Special Tax that could be levied on all Parcels of Taxable Property pursuant to Section D after the proposed Partial Prepayment would be at least equal to the sum of (i) the Administrative Expenses and (ii) an amount equal to one hundred ten percent (110%) of annual debt service on the Bonds which will remain outstanding following the redemption of Bonds with the Partial Prepayment.

H. TERM OF SPECIAL TAX

For each year that any Bonds are outstanding the Special Tax shall be levied on all Parcels subject to the Special Tax. No Special Tax shall be levied on any Parcel after the 2044-2045 Fiscal Year.

I. RELIEF FROM ALTERNATIVE SPECIAL TAX

All Parcels within CFD No. 22 will be relieved simultaneously and permanently from the obligation to pay and disclose the Alternate Special Tax if the Board determines that the total amount of the Special Taxes which could be levied in any Fiscal Year on all Parcels of Developed Property based on the Assigned Special Tax Rates for such Parcels would be equal to at least 110 percent of maximum annual debt service on the outstanding Bonds plus estimated Administrative Expenses in any such Fiscal Year with respect to the outstanding Bonds.

**RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR
COMMUNITY FACILITIES DISTRICT NO. 24
RIVERSIDE UNIFIED SCHOOL DISTRICT**

Special Taxes (defined below) shall be levied on all Parcels (defined below) located within the boundaries of Community Facilities District No. 24 of Riverside Unified School District (hereinafter “CFD No. 24”). The amount of Special Tax to be levied on a Parcel in any Fiscal Year (defined below) shall be determined by the Board of Education of Riverside Unified School District (hereinafter the “Board” and the “District”), in accordance with the rates and method of apportionment of the Special Taxes described below. All of the property in CFD No. 24, unless exempted by law or Section E below, shall be taxed for the purposes, to the extent, and in the manner provided herein.

A. DEFINITIONS

“**Act**” means the Mello-Roos Community Facilities Act of 1982, being Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California.

“**Administrative Expenses**” means the following actual or reasonably estimated costs directly related to the administration of CFD No. 24: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the District, CFD No. 24, or an agent thereof); the costs of collecting the Special Taxes (whether by the District or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the District, CFD No. 24 or any agent thereof in complying with arbitrage rebate requirements; the costs to the District, CFD No. 24 or any agent thereof in complying with District, CFD No. 24 or obligated persons disclosure requirements associated with applicable federal and state securities laws and of the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquires regarding the Special Taxes; the costs of the District, CFD No. 24 or any agent thereof related to an appeal of the Special Tax; the costs associated with the release of funds from an escrow account; and the District’s annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the District or CFD No. 24 for any other administrative purposes of CFD No. 24 including attorney’s fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

“**Alternate Special Tax**” means the applicable alternate special tax for a Parcel as determined pursuant to Section C.1.a.(iv), Section C.2.a.(iv), or Section C.3.a.(iv), below, as applicable.

“**Assessor’s Parcel Map**” means an official map of the Assessor of the County of Riverside designating Parcels by assessor’s parcel number.

“**Assigned Special Tax Rate**” means the applicable assigned special tax rate for a Parcel specified in Table 1, Table 2, or Table 3 in Section C below, as applicable.

“**Bonds**” means any bonds issued by CFD No. 24 pursuant to the Act.

“**Buildout**” means the first date on which all of the following have occurred as determined by the District: (i) all of the authorized Bonds have already been issued or the Board has covenanted that no additional Bonds (except refunding bonds) will be issued and (ii) the Maximum Special Taxes from Developed Property in each Tax Zone in each Fiscal Year are equal to or greater than the sum of 110% of the annual debt service for each such Fiscal Year on the outstanding Bonds, including any refunding bonds, allocable to such Tax Zone.

“Combined Delinquency Amount” means for any Fiscal Year after Buildout, the amount required to (i) replenish the amount, if any, withdrawn from the Reserve Fund to pay debt service on the Bonds as a result of delinquencies in the collection of Special Taxes levied in any Tax Zone in the preceding Fiscal Year, as determined by the District; and (ii) provide funds to offset reasonably anticipated delinquencies in the collection of Special Taxes to be levied in any Tax Zone based on the delinquency rate for Special Taxes levied in in such Tax Zone in the preceding Fiscal Year.

“Developed Property” means for each Fiscal Year all Taxable Property, exclusive of Taxable Property Owner Association Property and Taxable Public Property, for which a building permit for new construction was issued as of January 1 of the prior Fiscal Year.

“Dwelling Unit” means any residential structure including, but not limited to apartments, condominiums, townhouses, or single-family detached houses, offered for rent or for sale for which a building permit was issued as of January 1 of the prior Fiscal Year.

“Exempt Property” means any Parcel within CFD No. 24 that is exempt from the levy of Special Taxes pursuant to Section E.

“Final Map” means a subdivision of property by recordation of a final map, parcel map or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq.*) or recordation of a condominium plan pursuant to California Civil Code Section 1352 that creates individual lots for which building permits may be issued without further subdivision.

“Fiscal Year” means the twelve month period starting on July 1 of any calendar year and ending the following June 30.

“Indenture” means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing, amending or supplementing the same.

“Maximum Special Tax” means the maximum Special Tax, determined in accordance with Section C, that can be levied by the Board in any Fiscal Year on any Parcel.

“Net Taxable Acre or Acreage” means that acreage shown on the Assessor’s Parcel Map for each Parcel, exclusive of Exempt Property. If the Assessor’s Parcel Map shows no acreage for a Parcel, the Net Taxable Acreage for the Parcel shall be as shown on or determined from the recorded final subdivision map, parcel map, or functionally equivalent map or instrument for the Parcel.

“Non-Residential Property” means all Parcels of Developed Property for which a building permit has been issued for the construction of a building that is not a Dwelling Unit.

“Non-Prepayment Principal Amount” means the original principal amount of the Bonds minus the principal amount of the Bonds that have been paid at maturity or have been redeemed or defeased other than from prepayments of the Special Tax obligations for Parcels located in any Tax Zone.

“Outstanding Tax Zone 1 Bonds” means the amount obtained (a) by multiplying the Non-Prepayment Principal Amount by the Tax Zone 1 Allocation, and (b) by subtracting from the product thus obtained the principal amount of the Bonds, if any, that have been redeemed or defeased as a result of the prepayment of the Special Tax obligations for Parcels located in Tax Zone 1.

“Outstanding Tax Zone 2 Bonds” means the amount obtained (a) by multiplying the Non-Prepayment Principal Amount by the Tax Zone 2 Allocation, and (b) by subtracting from the product

thus obtained the principal amount of the Bonds, if any, that have been redeemed or defeased as a result of the prepayment of the Special Tax obligation for Parcels located in Tax Zone 2.

“Outstanding Tax Zone 3 Bonds” means the amount obtained (a) by multiplying the Non-Prepayment Principal Amount by the Tax Zone 3 Allocation, and (b) by subtracting from the product thus obtained the principal amount of the Bonds, if any, that have been redeemed or defeased as a result of the prepayment of the Special Tax obligation for Parcels located in Tax Zone 3.

“Parcel” means a lot or parcel shown on an Assessor’s Parcel Map with an assigned assessor’s parcel number as of the date of the levy of the Special Taxes for each Fiscal Year.

“Property Owner Association Property” means any property within the boundaries of CFD No. 24 owned by or dedicated to a property owner association, including any master or sub-association.

“Proportionately” means for Parcels of Developed Property in a Tax Zone the ratio of the actual amount of the Special Tax levied on such Parcels to the Assigned Special Tax Rates for such Parcels is the same for all such Parcels. For Parcels of Undeveloped Property in a Tax Zone, “Proportionately” means that the ratio of the actual amount of the Special Tax levied per Acre on such Parcels to the Maximum Special Tax per Acre is the same for all such Parcels. For Parcels of Taxable Property Owner Association Property or Parcels of Taxable Public Property in a Tax Zone, “Proportionately” means that the ratio of the actual amount of the Special Tax levied per Acre on such Parcels to the Maximum Special Tax per Acre is the same for all such Parcels of Taxable Property Owner Association Property or all such Parcels of Taxable Public Property.

“Public Property” means any property within the boundaries of CFD No. 24 that is used for public rights-of-way or any other public purpose and is owned by or dedicated or irrevocably offered for dedication to the federal government, the State of California, the County, or any other public agency; provided, however, that any property leased by a public agency; to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use.

“Reserve Fund” means the Reserve Fund for the Bonds established by the Indenture to secure the payment of debt service on the Bonds, to the full extent of the amount on deposit therein, in the event of delinquencies in the payment of Special Taxes levied on Parcels of Taxable Property in any Tax Zone or Tax Zones.

“Residential Floor Space” means the square footage of a Dwelling Unit, exclusive of garages, as shown on or calculated from the appropriate building records of the City of Riverside Building Department.

“Residential Property” means all Parcels of Developed Property upon which a Dwelling Unit is located or for which a building permit has been issued for the purpose of constructing a Dwelling Unit.

“Special Tax” means the special tax to be levied in each Fiscal Year on a Parcel of Taxable Property to fund the Tax Zone 1 Special Tax Requirement, the Tax Zone 2 Special Tax Requirement, or the Tax Zone 3 Special Tax Requirement, as applicable.

“Taxable Property” means all Parcels that are not Exempt Property.

“Taxable Property Owner Association Property” means all Parcels of Property Owner Association Property that are not Exempt Property.

“Taxable Public Property” means all Parcels of Public Property that are not Exempt Property.

“Tax Zone” means Tax Zone 1, Tax Zone 2, or Tax Zone 3, as applicable.

“Tax Zone 1” means all property located within the area identified as Tax Zone 1 on the boundary map for CFD No. 24.

“Tax Zone 1 Allocation” means the percentage of the annual debt service on the Bonds that will be allocated to Tax Zone 1, as determined by the Board at the time of the issuance of each series of the Bonds, based on the amount of the proceeds of the sale of the Bonds that will be used to finance public facilities for Tax Zone 1. The Tax Zone 1 Allocation shall not change after all of the authorized Bonds have been issued or the Board has covenanted that no additional Bonds will be issued.

“Tax Zone 1 Delinquency Amount” means, for any Fiscal Year, the amount required to (i) replenish the amount, if any, withdrawn from the Reserve Fund to pay debt service on the Bonds as a result of delinquencies in the collection of Special Taxes levied in Tax Zone 1 in the preceding Fiscal Year, as determined by the District; and (ii) provide funds to offset reasonably anticipated delinquencies in the collection of Special Taxes to be levied in Tax Zone 1 based on the delinquency rate for Special Taxes levied in Tax Zone 1 in the preceding Fiscal Year.

“Tax Zone 1 Special Tax Requirement” means the amount required in any Fiscal Year, after taking into consideration any available funds, as determined by the District, to: (i) pay the portion of the Administrative Expenses allocable to Tax Zone 1, as determined by the District; (ii) pay the debt service on the Outstanding Tax Zone 1 Bonds; (iii) pay any costs related to the Outstanding Tax Zone 1 Bonds, including but not limited to, credit enhancement and rebate payments; (iv) pay directly or accumulate funds for paying the costs of authorized public facilities; and (v) prior to Buildout, pay the Tax Zone 1 Delinquency Amount or after Buildout, pay a portion of the Combined Delinquency Amount determined by multiplying the Combined Delinquency Amount by the Tax Zone 1 Allocation.

“Tax Zone 2” means all property located within the area identified as Tax Zone 2 on the boundary map for CFD No. 24.

“Tax Zone 2 Allocation” means the percentage of the annual debt service on the Bonds that will be allocated to Tax Zone 2, as determined by the Board at the time of the issuance of each series of the Bonds, based on the amount of the proceeds of the sale of the Bonds that will be used to finance public facilities for Tax Zone 2. The Tax Zone 2 Allocation shall not change after all of the authorized Bonds have been issued or the Board has covenanted that no additional Bonds will be issued.

“Tax Zone 2 Delinquency Amount” means, for any Fiscal Year, the amount required to (i) replenish the amount, if any, withdrawn from the Reserve Fund to pay debt service on the Bonds as a result of delinquencies in the collection of Special Taxes, levied in Tax Zone 2 in the preceding Fiscal Year, as determined by the District; and (ii) provide funds to offset any reasonably anticipated delinquencies in the collection of Special Taxes to be levied in Tax Zone 2 based on the delinquency rate for Special Taxes levied in Tax Zone 2 in the preceding Fiscal Year.

“Tax Zone 2 Special Tax Requirement” means the amount required in any Fiscal Year, after taking into consideration any available funds, as determined by the District, to: (i) pay the portion of the Administrative Expenses allocable to Tax Zone 2, as determined by the District; (ii) pay the debt service on the Outstanding Tax Zone 2 Bonds; (iii) pay any costs related to the Outstanding Tax Zone 2 Bonds, including but not limited to, credit enhancement and rebate payments; (iv) pay directly or accumulate funds for paying the costs of authorized public facilities; and (v) prior to Buildout, pay the Tax Zone 2 Delinquency Amount or after Buildout, pay a portion of the Combined Delinquency

Amount determined by multiplying the Combined Delinquency Amount by the Tax Zone 2 Allocation.

“**Tax Zone 3**” means all property located within the area identified as Tax Zone 3 on the boundary map for CFD No. 24.

“**Tax Zone 3 Allocation**” means the percentage of the annual debt service on the Bonds that will be allocated to Tax Zone 3, as determined by the Board at the time of the issuance of each series of the Bonds, based on the amount of the proceeds of the sale of the Bonds that will be used to finance public facilities for Tax Zone 3. The Tax Zone 3 Allocation shall not change after all of the authorized Bonds have been issued or the Board has covenanted that no additional Bonds will be issued.

“**Tax Zone 3 Delinquency Amount**” means, for any Fiscal Year, the amount required to (i) replenish the amount, if any, withdrawn from the Reserve Fund to pay debt service on the Bonds as a result of delinquencies in the collection of Special Taxes levied in Tax Zone 3 in the preceding Fiscal Year, as determined by the District; and (ii) provide funds to offset reasonably anticipated delinquencies in the collection of Special Taxes to be levied in Tax Zone 3 based on the delinquency rate for Special Taxes levied in Tax Zone 3 in the preceding Fiscal Year.

“**Tax Zone 3 Special Tax Requirement**” means the amount required in any Fiscal Year, after taking into consideration any available funds, as determined by the District, to: (i) pay the portion of the Administrative Expenses allocable to Tax Zone 3, as determined by the District; (ii) pay the debt service on the Outstanding Tax Zone 3 Bonds; (iii) pay any costs related to the Outstanding Tax Zone 3 Bonds, including but not limited to, credit enhancement and rebate payments; (iv) pay directly or accumulate funds for paying the costs of authorized public facilities; and (v) prior to Buildout, pay the Tax Zone 3 Delinquency Amount or after Buildout, pay a portion of the Combined Delinquency Amount determined by multiplying the Combined Delinquency Amount by the Tax Zone 3 Allocation.

“**Trustee**” means the trustee or fiscal agent under the Indenture.

“**Undeveloped Property**” means all Parcels which are not classified as Developed Property, Public Property or Property Owner Association Property.

B. CLASSIFICATION AND ASSIGNMENT TO LAND USE CATEGORY

For each Fiscal Year (commencing with the 2005-2006 Fiscal Year) all Parcels within Tax Zone 1, Tax Zone 2, and Tax Zone 3 shall be classified as Developed Property, Taxable Public Property, Taxable Property Owner Association Property, Undeveloped Property, or Exempt Property, and shall be subject to the levy of Special Taxes in accordance with the rates and method of apportionment of the Special Taxes as set forth in Sections C and D below.

C. MAXIMUM SPECIAL TAX

1. TAX ZONE 1

a. Tax Zone 1 Developed Property

For purposes of determining the applicable Maximum Special Tax, Parcels of Developed Property within Tax Zone 1 shall be assigned to a Land Use Category as specified in Table 1. Parcels of Residential Property shall be assigned to Land Use Category 1, 2 or 3, based upon the Residential Floor Space of the Dwelling Unit(s) on or to be constructed on a Parcel as provided in the most recent building permit

issued for such Parcel. Parcels of Non-Residential Property shall be assigned to Land Use Category 4.

(i) Maximum Special Tax

The Maximum Special Tax for Residential Property shall be the greater of (i) the amount determined by multiplying the Dwelling Unit(s) on or to be constructed on the Parcel by the applicable Assigned Special Tax Rate per Dwelling Unit specified in Table 1 below, or (ii) the Alternate Special Tax.

The Maximum Special Tax for Non-Residential Property shall be determined by multiplying the Net Taxable Acreage of the Parcel by the Assigned Special Tax Rate for Non-Residential Property as specified in Table 1.

(ii) Assigned Special Tax Rates

The Assigned Special Tax Rates for all Land Use Categories for Fiscal Year 2005-06 are shown below in Table 1.

**Table 1
Assigned Special Tax Rates for Tax Zone 1
Community Facilities District No. 24
Fiscal Year 2005-06**

Land Use Category	Description	Residential Floor Space	Assigned Special Tax Rate
1	Residential Property	1,600 sq. ft. or more	\$2,134 per Dwelling Unit
2	Residential Property	1,300 – 1,599 sq. ft.	\$1,951 per Dwelling Unit
3	Residential Property	Less than 1,300 sq. ft.	\$1,829 per Dwelling Unit
4	Non-Residential Property	N/A	\$44,726 per Net Taxable Acre

(iii) Increase in the Assigned Special Tax

The Assigned Special Tax Rates in Table 1 shall be applicable for Fiscal Year 2005-06, and shall increase thereafter, commencing on July 1, 2006 and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2%) of the Assigned Special Tax Rate for the previous Fiscal Year.

(iv) Alternate Special Tax

At the time a Final Map is recorded, the Alternate Special Tax for Fiscal Year 2005-06 for all Parcels of Developed Property which are or will be categorized as Residential Property within such Final Map shall be determined by multiplying the total Net Taxable Acreage of Taxable Property, excluding the Net Taxable Acreage of Non-Residential Property, Taxable Property Owner Association Property and Taxable Public Property, if any, in such Final Map, by \$44,726 and dividing the product by the total number of Dwelling Units within such Final Map. The Alternate Special Tax shall increase commencing on July 1, 2006 and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2%) of the Alternate Special Tax for the previous Fiscal Year.

Notwithstanding the foregoing, if all or any portion of a Final Map is subsequently changed or modified, then the Alternate Special Tax for each Parcel of Developed Property classified or to be classified as Residential Property in such Final Map or the portion thereof that is changed or modified shall be a rate per square foot calculated as follows:

1. Determine the total amount of the Alternate Special Tax for the changed or modified portion of the Final Map prior to the change or modification.
2. Divide the amount determined pursuant to paragraph 1 above by the Net Taxable Acreage of Parcels of Residential Property which are expected to be located in such changed or modified portion of the Final Map, as determined by the District.
3. The resulting quotient is the Alternate Special Tax per Net Taxable Acre, which shall be applicable to Parcels of Residential Property in such changed or modified portion of the Final Map for all remaining Fiscal Years in which the Special Tax may be levied.

b. Tax Zone 1 Taxable Property Owner Association Property, Taxable Public Property and Undeveloped Property

The Fiscal Year 2005-06 Maximum Special Tax for each Parcel of Taxable Public Property, Taxable Property Owner Association Property and Undeveloped Property shall be determined by multiplying Net Taxable Acreage of the Parcel by \$44,726. The Maximum Special Tax shall increase, commencing on July 1, 2006 and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2%) of the Maximum Special Tax for the previous Fiscal Year.

2. TAX ZONE 2

a. Tax Zone 2 Developed Property

For purposes of determining the applicable Maximum Special Tax, Parcels of Developed Property within Tax Zone 2 shall be assigned to a Land Use Category as specified in Table 2. Parcels of Residential Property shall be assigned to Land Use Category 1, 2, 3 or 4, based upon the Residential Floor Space of the Dwelling Unit(s) on or to be constructed on a Parcel as provided in the most recent building permit issued for such Parcel. Parcels of Non-Residential Property shall be assigned to Land Use Category 5.

(i) Maximum Special Tax

The Maximum Special Tax for Residential Property shall be the greater of (i) the amount determined by multiplying the Dwelling Unit(s) on or to be constructed on the Parcel by the applicable Assigned Special Tax Rate per Dwelling Unit specified in Table 2 below, or (ii) the Alternate Special Tax.

The Maximum Special Tax for Non-Residential Property shall be determined by multiplying the Net Taxable Acreage of the Parcel by the Assigned Special Tax Rate for Non-Residential Property as specified in Table 2.

(ii) Assigned Special Tax Rates

The Assigned Special Tax Rates for all Land Use Categories for Fiscal Year 2005-06 are shown below in Table 2.

Table 2
Assigned Special Tax Rates
Tax Zone 2

Land Use Category	Description	Residential Floor Space	Assigned Special Tax Rate
1	Residential Property	2,001 sq. ft. or more	\$2,584 per Dwelling Unit
2	Residential Property	1,801 – 2,000 sq. ft.	\$2,455 per Dwelling Unit
3	Residential Property	1,500 – 1,800 sq. ft.	\$2,261 per Dwelling Unit
4	Residential Property	Less than 1,500 sq. ft.	\$2,132 per Dwelling Unit
5	Non-Residential Property	N/A	\$33,908 per Net Taxable Acre

(iii) Increase in the Assigned Special Tax

The Assigned Special Tax Rates in Table 2 shall be applicable for Fiscal Year 2005-06, and shall increase thereafter, commencing on July 1, 2006 and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2%) of the Assigned Special Tax Rate for the previous Fiscal Year.

(iv) Alternate Special Tax

At the time a Final Map is recorded, the Alternate Special Tax for Fiscal Year 2005-06 for all Parcels of Developed Property which are or will be categorized as Residential Property within such Final Map shall be determined by multiplying the total Net Taxable Acreage of Taxable Property, excluding the Net Taxable Acreage of Non-Residential Property, Taxable Property Owner Association Property, and Taxable Public Property, if any, in such Final Map, by \$33,908 and dividing the product by the total number of Dwelling Units as shown on such Final Map. The Alternate Special Tax shall increase commencing on July 1, 2006 and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2%) of the Alternate Special Tax for the previous Fiscal Year.

Notwithstanding the foregoing, if all or any portion of a Final Map is subsequently changed or modified, then the Alternate Special Tax for each Parcel of Developed Property classified or to be classified as Residential Property in such Final Map area or the portion thereof that is changed or modified shall be a rate per square foot calculated as follows:

1. Determine the total amount of the Alternate Special Tax for the changed or modified portion of the Final Map prior to the change or modification.
2. Divide the amount determined pursuant to paragraph 1 above by the Net Taxable Acreage of Parcels of Residential Property which are expected to be located in such changed or modified portion of the Final Map, as determined by the District.

3. The resulting quotient is the Alternate Special Tax per Net Taxable Acre, which shall be applicable to Parcels of Residential Property in such changed or modified portion of the Final Map for all remaining Fiscal Years in which the Special Tax may be levied.

b. Tax Zone 2 Taxable Property Owner Association Property, Taxable Public Property and Undeveloped Property

The Fiscal Year 2005-06 Maximum Special Tax for each Parcel of Taxable Public Property, Taxable Property Owner Association Property and Undeveloped Property shall be determined by multiplying the Net Taxable Acreage of the Parcel by \$33,908. The Maximum Special Tax shall increase, commencing on July 1, 2006 and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2%) of the Maximum Special Tax for the previous Fiscal Year.

3. TAX ZONE 3

a. Tax Zone 3 Developed Property

For purposes of determining the applicable Maximum Special Tax, Parcels of Developed Property within Tax Zone 3 shall be assigned to a Land Use Category as specified in Table 3. Parcels of Residential Property shall be assigned to Land Use Category 1, 2 or 3, based upon the Residential Floor Space of the Dwelling Unit(s) on or to be constructed on a Parcel as provided in the most recent building permit issued for such Parcel. Parcels of Non-Residential Property shall be assigned to Land Use Category 4.

(i) Maximum Special Tax

The Maximum Special Tax for Residential Property shall be the greater of (i) the amount determined by multiplying the Dwelling Unit(s) on or to be constructed on the Parcel by the applicable Assigned Special Tax Rate per Dwelling Unit specified in Table 3 below, or (ii) the Alternate Special Tax.

The Maximum Special Tax for Non-Residential Property shall be determined by multiplying the Net Taxable Acreage of the Parcel by the Assigned Special Tax Rate for Non-Residential Property as specified in Table 3.

(ii) Assigned Special Tax Rates

The Assigned Special Tax Rates for all Land Use Categories for Fiscal Year 2005-06 are shown in Table 3.

Table 3
Assigned Special Tax Rates for Tax Zone 3
Community Facilities District No. 24
Fiscal Year 2005-06

Land Use Category	Description	Residential Floor Space	Assigned Special Tax Rate
1	Residential Property	Greater than 3,800 sq. ft.	\$4,309 per Dwelling Unit
2	Residential Property	3,000 – 3,800 sq. ft.	\$3,584 per Dwelling Unit
3	Residential Property	Less than 3,000 sq. ft.	\$2,890 per Dwelling Unit
4	Non-Residential Property	N/A	\$2,191 per Net Taxable Acre

(iii) Increase in the Assigned Special Tax

The Assigned Special Tax Rates in Table 3 shall be applicable for Fiscal Year 2005-06, and shall increase thereafter, commencing on July 1, 2006 and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2%) of the Assigned Special Tax Rate for the previous Fiscal Year.

(iv) Alternate Special Tax

At the time a Final Map is recorded, the Alternate Special Tax for Fiscal Year 2005-06 for all Parcels of Developed Property which are or will be categorized as Residential Property within such Final Map shall be determined by multiplying the total Net Taxable Acreage of Taxable Property, excluding the Net Taxable Acreage of Non-Residential Property, Taxable Property Owner Association Property, and Taxable Public Property, if any, in such Final Map, by \$2,191 and dividing the product by the total number of Dwelling Units within such Final Map. The Alternate Special Tax shall increase commencing on July 1, 2006 and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2%) of the Alternate Special Tax for the previous Fiscal Year.

Notwithstanding the foregoing, if all or any portion of a Final Map is subsequently changed or modified, then the Alternate Special Tax for each Parcel of Developed Property classified or to be classified as Residential Property in such Final Map or the portion thereof that is changed or modified shall be a rate per square foot calculated as follows:

1. Determine the total amount of the Alternate Special Tax for the changed or modified portion of the Final Map prior to the change or modification.
2. Divide the amount determined pursuant to paragraph 1 above by the Net Taxable Acreage of Parcels of Residential Property which are expected to be located in such changed or modified portion of the Final Map, as determined by the District.
3. The resulting quotient is the Alternate Special Tax per Net Taxable Acre, which shall be applicable to Parcels of Residential Property in such changed or modified portion of the Final Map for all remaining Fiscal Years in which the Special Tax may be levied.

b. Tax Zone 3 Taxable Property Owner Association Property, Taxable Public Property and Undeveloped Property

The Fiscal Year 2005-06 Maximum Special Tax for each Parcel of Taxable Public Property, Taxable Property Owner Association Property and Undeveloped Property shall be determined by multiplying Net Taxable Acreage of the Parcel by \$2,191. The Maximum Special Tax shall increase, commencing on July 1, 2006 and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2%) of the Maximum Special Tax for the previous Fiscal Year.

D. METHOD OF APPORTIONMENT AND LEVY OF THE SPECIAL TAX

1. TAX ZONE 1

Commencing with Fiscal Year 2006-2007 and for each following Fiscal Year, the Board shall determine the Tax Zone 1 Special Tax Requirement and shall levy the Special Tax in Tax Zone 1 until the amount of Special Taxes equals the Tax Zone 1 Special Tax Requirement. The Special Tax shall be levied each Fiscal Year as follows:

First: The Special Tax shall be levied Proportionately on each Parcel of Developed Property at up to 100% of the applicable Assigned Special Tax Rate to satisfy the Tax Zone 1 Special Tax Requirement;

Second: If additional monies are needed to satisfy the Tax Zone 1 Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property at up to 100% of the Maximum Special Tax for Undeveloped Property;

Third: If additional monies are needed to satisfy the Tax Zone 1 Special Tax Requirement after the first two steps have been completed, the Special Tax to be levied on each Parcel of Developed Property in Tax Zone 1 whose Maximum Special Tax is derived by the application of the Alternate Special Tax shall be increased in equal percentages from the Assigned Special tax up to the Maximum Special Tax for each such Parcel;

Fourth: If additional monies are needed to satisfy the Tax Zone 1 Special Tax Requirement after the first three steps have been completed, the Special Tax shall be levied Proportionately on each Parcel of Taxable Property Owner Association Property and Taxable Public Property at up to 100 % of the Maximum Special Tax for Taxable Property Owner Association Property and Taxable Public Property.

Notwithstanding the above, under no circumstances will the Special Tax levied against any Parcel of Residential Property in Tax Zone 1 for which an occupancy permit for private residential use has been issued be increased by more than ten percent (10%) as a consequence of delinquency or default by the owner of any other Parcel within CFD No. 24.

2. TAX ZONE 2

Commencing with Fiscal Year 2006-2007 and for each following Fiscal Year, the Board shall determine the Tax Zone 2 Special Tax Requirement and shall levy the Special Tax in Tax Zone 2 until the amount of Special Taxes equals the Tax Zone 2 Special Tax Requirement. The Special Tax shall be levied each Fiscal Year as follows:

First: The Special Tax shall be levied Proportionately on each Parcel of Developed Property at up to 100% of the applicable Assigned Special Tax Rate to satisfy the Tax Zone 2 Special Tax Requirement;

Second: If additional monies are needed to satisfy the Tax Zone 2 Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property at up to 100% of the Maximum Special Tax for Undeveloped Property;

Third: If additional monies are needed to satisfy the Tax Zone 2 Special Tax Requirement after the first two steps have been completed, the Special Tax to be levied on each Parcel of Developed Property in Tax Zone 2 whose Maximum Special Tax is derived by the application of the Alternate Special Tax shall be increased in equal percentages from the Assigned Special tax up to the Maximum Special Tax for each such Parcel;

Fourth: If additional monies are needed to satisfy the Tax Zone 2 Special Tax Requirement after the first three steps have been completed, the Special Tax shall be levied Proportionately on each Parcel of Taxable Property Owner Association Property and Taxable Public Property at up to 100 % of the Maximum Special Tax for Taxable Property Owner Association Property and Taxable Public Property.

Notwithstanding the above, under no circumstances will the Special Tax levied against any Parcel of Residential Property in Tax Zone 2 for which an occupancy permit for private residential use has been issued be increased by more than ten percent (10%) as a consequence of delinquency or default by the owner of any other Parcel within CFD No. 24.

3. TAX ZONE 3

Commencing with Fiscal Year 2006-2007 and for each following Fiscal Year, the Board shall determine the Tax Zone 3 Special Tax Requirement and shall levy the Special Tax in Tax Zone 3 until the amount of Special Taxes equals the Tax Zone 3 Special Tax Requirement. The Special Tax shall be levied each Fiscal Year as follows:

First: The Special Tax shall be levied Proportionately on each Parcel of Developed Property at up to 100% of the applicable Assigned Special Tax Rate to satisfy the Tax Zone 3 Special Tax Requirement;

Second: If additional monies are needed to satisfy the Tax Zone 3 Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property at up to 100% of the Maximum Special Tax for Undeveloped Property;

Third: If additional monies are needed to satisfy the Tax Zone 3 Special Tax Requirement after the first two steps have been completed, the Special Tax to be levied on each Parcel of Developed Property in Tax Zone 3 whose Maximum Special Tax is derived by the application of the Alternate Special Tax shall be increased in equal percentages from the Assigned Special tax up to the Maximum Special Tax for each such Parcel;

Fourth: If additional monies are needed to satisfy the Tax Zone 3 Special Tax Requirement after the first three steps have been completed, the Special Tax shall be levied Proportionately on each Parcel of Taxable Property Owner Association Property and Taxable Public Property at up to 100 % of the Maximum Special Tax for Taxable Property Owner Association Property and Taxable Public Property.

Notwithstanding the above, under no circumstances will the Special Tax levied against any Parcel of Residential Property in Tax Zone 3 for which an occupancy permit for private residential use has been issued be increased by more than ten percent (10%) as a consequence of delinquency or default by the owner of any other Parcel within CFD No. 24.

E. EXEMPTIONS

1. TAX ZONE 1

The Board shall not levy Special Taxes on: (i) up to 4.730 acres of Public Property and Property Owner Association Property within Tax Zone 1 and (ii) any Parcels for which the Special Tax obligation has been prepaid in full pursuant to Section G.

Tax-exempt status for the acreage of parcels or portions of Parcels of Public Property and Property Owner Association Property will be irrevocably assigned by the District in the chronological order in which such Parcels or portions of Parcels become Exempt Property.

Notwithstanding the preceding provisions of this Section E, Parcels or portions of Parcels conveyed or irrevocably offered for dedication to federal, state or local governments after formation of CFD No. 24, and not otherwise exempt pursuant to this Section E, shall be subject to the Special Tax pursuant to Section 53317.3 or 53317.5 of the Act and classified as Taxable Public Property.

2. TAX ZONE 2

The Board shall not levy Special Taxes on: (i) up to 7.760 acres of Public Property and Property Owner Association Property within Tax Zone 2 and (ii) any Parcels for which the Special Tax obligation has been prepaid in full pursuant to Section G.

Tax-exempt status for the acreage of parcels or portions of Parcels of Public Property and Property Owner Association Property will be irrevocably assigned by the District in the chronological order in which such Parcels or portions of Parcels become Exempt Property.

Notwithstanding the preceding provisions of this Section E, Parcels or portions of Parcels conveyed or irrevocably offered for dedication to federal, state or local governments after formation of CFD No. 24, and not otherwise exempt pursuant to this Section E, shall be subject to the Special Tax pursuant to Section 53317.3 or 53317.5 of the Act and classified as Taxable Public Property.

3. TAX ZONE 3

The Board shall not levy Special Taxes on: (i) up to 24.70 acres of Public Property and Property Owner Association Property within Tax Zone 3 and (ii) any Parcels for which the Special Tax obligation has been prepaid in full pursuant to Section G.

Tax-exempt status for the acreage of parcels or portions of Parcels of Public Property and Property Owner Association Property will be irrevocably assigned by the District in the chronological order in which such Parcels or portions of Parcels become Exempt Property.

Notwithstanding the preceding provisions of this Section E, Parcels or portions of Parcels conveyed or irrevocably offered for dedication to federal, state or local governments after formation of CFD No. 24, and not otherwise exempt pursuant to this Section E, shall be

subject to the Special Tax pursuant to Section 53317.3 or 53317.5 of the Act and classified as Taxable Public Property.

F. MANNER OF COLLECTION

The Special Taxes will be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that prepayments are permitted as set forth in Section G below; and provided further that the District may directly bill all or part of the Special Taxes, and may collect the Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of CFD No. 24. Furthermore, the Board may authorize the collection of delinquent Special Taxes by judicial foreclosure proceedings pursuant to Section 53356.1 of the Act.

G. PREPAYMENT AND SATISFACTION OF SPECIAL TAX OBLIGATION

1. Prepayment in Full

The Special Tax obligation for any Parcel of Developed Property or any Parcel of Undeveloped Property for which a building permit has been issued may be prepaid and permanently satisfied as provided herein, provided that a prepayment may be made only if at the time of the prepayment there are no delinquent Special Taxes with respect to such Parcel and all other Parcels which are under the same ownership. An owner of a Parcel intending to prepay the Special Tax obligation shall provide the District with written notice of intent to prepay. Within 30 days of receipt of such written notice, the District shall notify such owner of the Prepayment (as defined below) for such Parcel and the date through which the amount of the Prepayment will be valid.

The following additional definitions apply to this Section G1:

“Construction Fund” means a fund or account specifically identified in the Indenture to hold funds which are available to acquire or construct public facilities for CFD No. 24.

“Construction Inflation Index” means the Engineering News-Record Building Cost Index for the City of Los Angeles, measured as of the calendar year which ends in the previous Fiscal Year. In the event this index ceases to be published, the Construction Inflation Index shall be another index which is determined by the District to be reasonably comparable.

“Relevant Tax Zone” means the Tax Zone in which the prepaying Parcel is located.

“Outstanding Bonds” means all Bonds which will remain outstanding after the first interest and/or principal payment date following the then current Fiscal Year, excluding Bonds to be redeemed at a later date with the proceeds of prior prepayments of the Special Tax obligation.

“Prepayment” means an amount equal to the sum of (1) Principal, (2) Premium, (3) Tax Zone Future Facilities Cost, (4) Defeasance, and (5) Fees minus (A) Reserve Fund Credit and (B) Capitalized Interest Credit, where the terms “Principal,” “Premium,” “Tax Zone Future Facilities Cost,” “Defeasance,” “Fees,” “Reserve Fund Credit,” and “Capitalized Interest Credit” have the following meanings:

“Principal” means the principal amount of the Bonds to be redeemed with the proposed prepayment and equals the greater of (i) the quotient derived by dividing (a) the total amount of Special Tax that could be collected if the Special Tax were levied on the Parcel intending to prepay at the Assigned Special Tax Rate for the Parcel by (b) the total amount of Special Tax that could be collected if the Special Tax were levied on all Parcels of Taxable Property in the Relevant Tax Zone (except Parcels which have prepaid the Special Tax obligation), as

applicable, at the Assigned Special Tax Rates for all such Parcels, and by multiplying that quotient by Outstanding Tax Zone 1 Bonds, the Outstanding Tax Zone 2 Bonds, or the Outstanding Tax Zone 3 Bonds, as applicable, or (ii) the quotient derived by dividing (a) the total amount of Special Tax that could be collected if the Special Tax were levied on the Parcel intending to prepay at the Alternate Special Tax for the Parcel by (b) the total amount of Special Taxes that could be collected if Special Taxes were levied on all Parcels of Taxable Property in the Relevant Tax Zone based on the Alternate Special Tax in the current Fiscal Year based on expected development through buildout of CFD No. 24, as determined by the District (except Parcels which have prepaid the Special Tax obligation) and by multiplying that quotient by Outstanding Tax Zone 1 Bonds, the Outstanding Tax Zone 2 Bonds, or the Outstanding Tax Zone 3 Bonds, as applicable.

“Premium” means an amount equal to the Principal multiplied by the redemption premium, if any, for the Bonds which will be redeemed with the prepayment.

“Prepaid Future Facilities Cost” means the amount of future facilities to be funded through the proposed Prepayment and equals the product of the applicable Tax Zone Future Facilities Cost and the greater of (i) the quotient derived by dividing (a) the total amount of Special Tax that could be collected if the Special Tax were levied on the Parcel intending to prepay at the Assigned Special Tax Rate for the Parcel by (b) the total amount of Special Tax that could be collected if the Special Tax were levied on all Parcels of Taxable Property in the Relevant Tax Zone at the Assigned Special Tax Rates for all such Parcels assuming full build out of the Relevant Tax Zone, as determined by the District, or (ii) the quotient derived by dividing (a) the total amount of Special Tax that could be collected if the Special Tax were levied on the Parcel intending to prepay at the Alternate Special Tax for the Parcel by (b) the total amount of Special Taxes that could be collected if the Special Tax were levied on all Parcels of Taxable Property in the Relevant Tax Zone based on the Alternate Special Tax in the current Fiscal Year based on expected development through buildout of CFD No. 24, as determined by the District (except Parcels which have prepaid the Special Tax obligation).

“Tax Zone Future Facilities Cost” means the applicable Tax Zone Public Facilities Amount minus (i) public facilities costs previously paid from the Construction Fund which are related to the Relevant Tax Zone and (ii) moneys currently on deposit in the Construction Fund which are allocable to the Relevant Tax Zone; provided that in no event shall the Tax Zone Future Facilities Cost be less than zero.

“Tax Zone Public Facilities Amount” means \$1,860,000 for Tax Zone 1, \$2,800,000 for Tax Zone 2, and \$290,000 for Tax Zone 3, expressed in 2005 dollars, which shall increase by the annual percentage change in the Construction Inflation Index on July 1, 2006, and on each July 1 thereafter, or such lower amount as is determined by the District as being sufficient to provide for the acquisition and construction of public facilities for such Tax Zone.

“Defeasance” means the amount needed to pay interest on the Principal until the earliest redemption date for the Outstanding Bonds less the earnings from the investment of the amount of the Principal less the Fees until the redemption date for the Outstanding Bonds to be redeemed with the Prepayment. Credit shall also be given for any Special Tax which has been paid for the Parcel intending to prepay but which has not yet been expended for purposes for which the Special Tax was levied.

“Fees” means administrative fees and expenses associated with the Prepayment as determined by or on behalf of the District including, but not limited to, the costs of computing the Prepayment, the costs of removing any Special Taxes from the tax roll, the costs of

redeeming the Bonds, and the costs of recording and publishing any notices to evidence the Prepayment and the redemption of Bonds.

“Reserve Fund Credit” means the lesser of (i) the expected reduction in the applicable Reserve Requirement (as defined in the Indenture) following the redemption of Bonds with the Prepayment or (ii) the amount derived by subtracting the new Reserve Requirement which will be in effect after the redemption of Bonds with the Prepayment from the amount on deposit in the Reserve Fund on the prepayment date, but in no event shall such amount be less than zero.

“Capitalized Interest Credit” means the pro rata amount of capitalized interest on the Outstanding Bonds, if any, which is allocable to the Parcel intending to prepay the Special Tax obligation and equals the greater of (i) the quotient derived by dividing (a) the total amount of Special Tax revenues that could be collected if the Special Tax were levied on the Parcel in the amount of the Assigned Special Tax Rate for the Parcel by (b) the total amount of Special Tax that could be collected if the Special Tax were levied on all Parcels of Taxable Property (except Parcels which have prepaid the Special Tax obligation) in the amount of the Assigned Special Tax Rates for all such Parcels, and by multiplying that quotient by the remaining amount of capitalized interest or (ii) the quotient derived by dividing (a) the total amount of Special Tax that could be collected if the Special Tax were levied on the Parcel intending to prepay at the Alternate Special Tax for the Parcel by (b) the total amount of Special Taxes that could be collected if the Special Tax were levied on all Parcels of Taxable Property in the Relevant Tax Zone based on the Alternate Special Tax for all such Parcels and the expected development through buildout of CFD No. 24, as determined by the District (except Parcels which have prepaid the Special Tax obligation) and by multiplying that quotient by the remaining amount of capitalized interest.

The Prepayment, exclusive of the Tax Zone Future Facilities Cost, shall be paid to the District and shall be used to pay and redeem Bonds in accordance with the Indenture and to pay the Fees. The Tax Zone Future Facilities Cost shall be retained in the Construction Fund. Upon the payment of the Prepayment to the District, the obligation to pay the Special Tax for the prepaying Parcel shall be deemed to be permanently satisfied, the Special Tax shall not be levied thereafter on the Parcel, and the District shall cause a notice of cancellation of the Special Tax lien for such Parcel to be recorded.

Notwithstanding the foregoing, no prepayment of the Special Tax obligation for any Parcel shall be allowed unless the total amount of the Special Tax that could be levied on all Parcels of Taxable Property (excluding Taxable Property Owner Association Property and Taxable Public Property) in the Relevant Tax Zone pursuant to Section D after the proposed prepayment would be at least equal to the sum of (i) the portion of the Administrative Expenses allocable to the Relevant Tax Zone and (ii) an amount equal to one hundred ten percent (110%) of annual debt service on the Outstanding Tax Zone 1 Bonds, the Outstanding Tax Zone 2 Bonds or the Outstanding Tax Zone 3 Bonds, as appropriate, which will remain outstanding following the redemption of Bonds with the Prepayment.

2. Prepayment in Part

An owner of not less than 15 Parcels of Residential Property or the owner of a Parcel of Residential Property upon which not less than 15 Dwelling Units will be constructed may partially prepay the obligation of all such Parcels or such Parcel to pay the Special Tax by the same percentage for each such Parcel or Dwelling Unit (a “Partial Prepayment”). An owner of a single Parcel of Residential Property that has been or will be improved with a single Dwelling Unit will not be allowed to make a Partial Prepayment for the Parcel. The owner of a Parcel of Undeveloped Property for which a building permit has been issued which will not cause the Parcel to be Residential Property may partially prepay the obligation of the Parcel to pay the Special Tax obligation (also a “Partial

Prepayment”). However, no Partial Prepayment shall be allowed if there are delinquent Special Taxes for the Parcel or any other Parcel which is also owned by the owner of the Parcel or Parcels proposing the Partial Prepayment.

An owner of such a Parcel intending to prepay a portion of the Special Tax obligation for the Parcel shall provide the District with written notice of intent to prepay and the percentage of the Special Tax obligation to be prepaid. Within 30 days of receipt of such written notice, the District shall notify such owner of the Partial Prepayment amount for such Parcel and the date through which the amount of such Partial Prepayment shall be valid.

The amount of the Partial Prepayment shall be calculated pursuant to Section G.1. and the following formula:

$$PP = (Pe \times F) + A$$

The abbreviated terms in this formula have the following meanings:

- PP = the Partial Prepayment
- Pe = the Prepayment amount calculated according to Section G.1.
- F = the percent by which the owner of the Parcel is partially prepaying the Special Tax obligation.
- A = the Fees determined in Section G.1.

The Partial Prepayment, exclusive of the portion thereof attributable to the Tax Zone Future Facilities Cost, shall be paid to the District and shall be used to pay and redeem Bonds in accordance with the Indenture and to pay the Fees. The portion of the Partial Prepayment attributable to the Tax Zone Future Facilities Cost shall be retained in the Construction Fund. Upon the payment of the Partial Prepayment to the District, a portion of the Special Tax equal to the percentage $(1.00 - F)$ of the remaining Special Tax obligation shall continue to be authorized to be levied on such Parcel pursuant to Section D.

Notwithstanding the foregoing, no Partial Prepayment shall be allowed unless the total amount of the Special Tax that could be levied on all Parcels of Taxable Property (except Taxable Property Owner Association Property and Taxable Public Property) in the Relevant Tax Zone pursuant to Section D after the proposed Partial Prepayment would be at least equal to the sum of (i) the portion of the Administrative Expenses that is allocable to the Relevant Tax Zoned and (ii) an amount equal to one hundred ten percent (110%) of annual debt service on the Outstanding Tax Zone 1 Bonds, the Outstanding Tax Zone 2 Bonds or the Outstanding Tax Zone 3 Bonds, as appropriate, which will remain outstanding following the redemption of Bonds with the Partial Prepayment.

I. TERM OF SPECIAL TAX

For each year that any Bonds are outstanding the Special Tax shall be levied on all Parcels of Taxable Property. No Special Tax shall be levied on any Parcel after the 2044-2045 Fiscal Year.

J. RELIEF FROM ALTERNATIVE SPECIAL TAX

All Parcels will be relieved simultaneously and permanently from the obligation to pay and disclose the Alternate Special Tax if the Board determines that the total amount of the Special Taxes which could be levied in any Fiscal Year on all Parcels of Developed Property based on the Assigned Special Tax for such Parcels would be equal to at least 110 percent of maximum annual debt service on the outstanding Bonds plus estimated annual Administrative Expenses in any such Fiscal Year with respect to the outstanding Bonds which have been issued.

APPENDIX E

FORM OF BOND COUNSEL OPINION

[TO COME FROM BOND COUNSEL]

APPENDIX F

FORM OF CONTINUING DISCLOSURE AGREEMENT

THIS CONTINUING DISCLOSURE AGREEMENT (“Disclosure Agreement”), dated as of _____ 1, 2015, is executed and delivered by the RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY (the “Issuer”), and U.S. BANK NATIONAL ASSOCIATION, as Dissemination Agent (the “Dissemination Agent”) in connection with the issuance of \$_____ aggregate principal amount the Riverside Unified School District Financing Authority 2015 Special Tax Revenue Refunding Bonds (the “Bonds”). The Bonds are being issued pursuant to an Indenture of Trust, dated as of _____ 1, 2015 (the “Indenture”), by between U.S. Bank National Association, as trustee (the “Trustee”), and the Issuer. The proceeds of the Bonds will be used to acquire the District Bonds (as defined below). The proceeds of the District Bonds will refund certain outstanding obligations of the Districts (as defined below), to fund the reserve fund securing the Bonds and to pay costs of issuance of the Bonds. The Issuer and the Dissemination Agent covenant and agree as follows:

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

Section 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement 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 Issuer pursuant to, and as described in, Section 3 and 4 of this Disclosure Agreement.

“Beneficial Owner” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income purposes.

“Disclosure Representative” shall mean the Assistant Executive Director of the Riverside Unified School District Financing Authority, or his or her designee, or such other officer or employee as the Issuer shall designate in writing to the Dissemination Agent from time to time.

“Dissemination Agent” shall mean U.S. Bank National Association, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Trustee and the Issuer a written acceptance of such designation.

“Districts” shall mean, collectively, the following:

- (a) Community Facilities District No. 10 of Riverside Unified School District,
- (b) Community Facilities District No. 13 of Riverside Unified School District,
- (c) Community Facilities District No. 14 of Riverside Unified School District,
- (d) Community Facilities District No. 15 of Riverside Unified School District,
- (e) Community Facilities District No. 17 of Riverside Unified School District,

- (f) Community Facilities District No. 18 of Riverside Unified School District,
- (g) Community Facilities District No. 21 of Riverside Unified School District,
- (h) Community Facilities District No. 22 of Riverside Unified School District, and
- (i) Community Facilities District No. 24 of Riverside Unified School District.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

“District Bonds” shall mean, collectively, the following:

- (a) Community Facilities District No. 10 of Riverside Unified School District, Special Tax Refunding Bonds, 2015 Series A,
- (b) Community Facilities District No. 13 of Riverside Unified School District, Special Tax Refunding Bonds, 2015 Series A (Improvement Area No. 1),
- (c) Community Facilities District No. 14 of Riverside Unified School District, Special Tax Refunding Bonds, 2015 Series A,
- (d) Community Facilities District No. 15 of Riverside Unified School District, Special Tax Refunding Bonds, 2015 Series A (Improvement Area No. 2),
- (e) Community Facilities District No. 17 of Riverside Unified School District, Special Tax Refunding Bonds, 2015 Series A,
- (f) Community Facilities District No. 18 of Riverside Unified School District, Special Tax Refunding Bonds, 2015 Series A,
- (g) Community Facilities District No. 21 of Riverside Unified School District, Special Tax Refunding Bonds, 2015 Series A (Improvement Area No. 2),
- (h) Community Facilities District No. 22 of Riverside Unified School District, Special Tax Refunding Bonds, 2015 Series A, and
- (i) Community Facilities District No. 24 of Riverside Unified School District, Special Tax Refunding Bonds, 2015 Series A.

“MSRB” means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

“Owners” shall mean the registered owners of the Bonds as set forth in the registration books maintained by the Trustee.

“Participating Underwriter” shall mean any of the underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Repository” shall mean the MSRB or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Unless 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>.

“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.

“State” shall mean the State of California.

“Tax-Exempt” shall mean the interest on the Bonds is excluded from gross income 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 any other tax liability, including any alternative minimum tax or environmental tax.

Section 3. Provision of Annual Reports.

(a) The Issuer shall, or upon written direction shall cause the Dissemination Agent to, not later than April 1 after the end of the Issuer’s fiscal year (June 30) commencing with the report due by April 1, [2016], provide to the Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Agreement; provided that the audited financial statements of the Issuer and the Districts, if any exist, may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Issuer’s or the Districts’ fiscal year changes, the Issuer shall give notice of such change in the same manner as for a Listed Event under Section 5(f). The Issuer shall provide a written certification with each Annual Report furnished to the Dissemination Agent and the Trustee to the effect that such Annual Report constitutes the Annual Report required to be furnished by it hereunder. The Dissemination Agent and Trustee may conclusively rely upon such certification of the Issuer and shall have no duty or obligation to review such Annual Report.

(b) Not later than (15) Business Days prior to the date specified in subsection (a) for providing the Annual Report to the Repository, the Issuer shall provide the Annual Report to the Dissemination Agent and the Trustee (if the Trustee is not the Dissemination Agent). If by fifteen (15) Business Days prior to such date, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the Issuer and the Trustee to inquire if the Issuer is in compliance with subsection (a).

(c) If the Dissemination Agent is unable to verify that an Annual Report has been provided to the Repository by the date required in subsection (a), the Dissemination Agent shall send a notice to the Repository, in the form required by the Repository.

(d) The Dissemination Agent shall:

(i) determine each year prior to date for providing the Annual Report the name and address of the Repository if other than the MSRB; and

(ii) file a report with the Issuer certifying that the Annual Report has been to the Repository and the date it was provided.

(e) Notwithstanding any other provision of this Disclosure Agreement, all filings shall be made in accordance with the MSRB’s EMMA system or in another manner approved under the Rule.

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

(a) The audited financial statements of the Issuer and the Districts for the prior fiscal year, if any have been prepared and which, if prepared, shall be prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental

Accounting Standards Board. If the Issuer or the Districts are preparing audited financial statements and such audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

- (b) The Annual Report shall contain or incorporate by reference the following:
 - (i) the principal amount of the Bonds and the principal amounts of the District Bonds that are outstanding as of the September 2 preceding the filing of the Annual Report;
 - (ii) the balance in each fund under the Indenture and the Reserve Requirement as of the September 2 preceding the filing of the Annual Report;
 - (iii) any changes to the Rates and Methods of Apportionment of the Special Tax for any District approved or submitted to the qualified electors for approval prior to the filing of the Annual Report and a description of any parcels for which the Special Taxes have been prepaid in the fiscal year for which the Annual Report is being prepared;
 - (iv) an update of the estimated assessed value-to-lien ratios for the parcels of taxable property in the Districts substantially in the form of Table 4 in the Official Statement based upon the Special Tax levy for the most recent fiscal year preceding the date of the Annual Report and of the assessed values of property for the current fiscal year;
 - (v) the status of any foreclosure actions being pursued by the School District with respect to delinquent Special Taxes in any of the Districts;
 - (vi) a table showing by District the total Special Taxes levied and the total Special Taxes collected for the prior fiscal year and the total Special Taxes that remain unpaid for each prior fiscal year in which Special Taxes were levied and the number of delinquent parcels in each District; and
 - (vii) any information not already included under (i) through (vi) above that the Issuer is required to file in its annual report to the California Debt and Investment Advisory Commission pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to each of the Repositories or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The Issuer shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Issuer shall give, or cause the Dissemination Agent to give, written notice to the Repository of the occurrence of any of the following events with respect to the Bonds in a timely manner not more than ten (10) business days after 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 the issuance by the Internal Revenue Service of proposed or final determinations of taxability or of a Notice of Proposed Issue (IRS Form 5701-TEB);
6. tender offers;
7. defeasances;
8. ratings changes; and
9. bankruptcy, insolvency, receivership or similar proceedings.

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) Pursuant to the provisions of this Section 5, the Issuer shall give, or cause to be given, written notice to the Repository of the occurrence of any of the following events with respect to the Bonds, if material:

1. unless described in paragraph 5(a)(5) above, notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
2. 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;
3. appointment of a successor or additional trustee or the change of the name of a trustee;
4. nonpayment related defaults;
5. modifications to the rights of Owners of the Bonds;
6. notices of redemption; and
7. release, substitution or sale of property securing repayment of the Bonds.

(c) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event under Section 5(b) above, the Issuer shall as soon as possible determine if such event would be material under applicable federal securities laws.

(d) If the Issuer determines that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, the Issuer shall file a notice of such occurrence with the Repository in a timely manner not more than 10 business days after the event.

(e) The Issuer hereby agrees that the undertaking set forth in this Disclosure Agreement is the responsibility of the Issuer and that the Dissemination Agent shall not be responsible for determining whether the Issuer's instructions to the Dissemination Agent under this Section 5 comply with the requirements of the Rule.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Agreement 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 Issuer shall give notice of such termination in the same manner as for a Listed Event under Section 5(d).

Section 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Agreement. If at any time there is not any other designated Dissemination Agent, the Trustee shall be the Dissemination Agent. The initial Dissemination Agent shall be U.S. Bank National Association. The Dissemination Agent may resign by providing thirty (30) days written notice to the Issuer and the Trustee.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

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

(b) The undertaking hereunder, 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 either (i) is approved by the Owners of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Owners or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer 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 Issuer. In addition, if the amendment related 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(f), 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 Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement 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 Agreement. If the Issuer 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 Agreement, the Issuer shall have no obligation under this Agreement 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 Issuer to comply with any provision of this Disclosure Agreement, the Trustee at the written direction of any Participating Underwriter or the Owners of at least 25% aggregate principal amount of Outstanding Bonds, shall, or any Owner 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 Issuer to comply with its obligations under this Disclosure Agreement, but only to the extent funds have been provided to it or it has been otherwise indemnified to its satisfaction from any cost, liability, expense or additional charges of the Trustee whatsoever, including, without limitation, fees and expenses of its attorney. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Agreement shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the Issuer agrees to indemnify and save the Dissemination Agent and its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

The Dissemination Agent shall be paid compensation by the Issuer for its services provided hereunder in accordance with its schedule of fees as amended from time to time and shall be reimbursed by the Issuer all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder but solely from amounts in the Administrative Expense Funds established under the Fiscal Agent Agreements. Neither the Dissemination Agent nor the Trustee nor Fiscal Agent shall have any duty or obligation to review any information provided to it hereunder or shall be deemed to be acting in any fiduciary capacity for the Issuer, the owners of the Bonds or any other party.

Any company succeeding to all or substantially all of the Dissemination Agent's corporate trust business shall be the successor to the Dissemination Agent hereunder without the execution or filing of any document or any further act.

Section 12. Notices. Any notices or communications to or among any of the parties to this Disclosure Agreement may be given as follows:

Issuer:	Riverside Unified School District Financing Authority 3380 Fourteenth Street Riverside, CA 92501 Attention: Treasurer
Dissemination Agent:	U.S. Bank National Association 633 West 5th Street, 24th Floor Los Angeles, CA 90071-2005
Participating Underwriter:	Stifel, Nicolaus & Company, Incorporated 515 S. Figueroa St., Suite 1800 Los Angeles, CA 90071

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notice or communications should be sent.

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

Section 14. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

RIVERSIDE UNIFIED SCHOOL DISTRICT
FINANCING AUTHORITY

By: _____
Treasurer

U.S. BANK NATIONAL ASSOCIATION, as
Dissemination Agent

By: _____
Authorized Signatory

EXHIBIT A

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY

Name of Bond Issue: \$_____ RIVERSIDE UNIFIED SCHOOL DISTRICT FINANCING AUTHORITY 2015 SPECIAL TAX REVENUE REFUNDING BONDS

Date of Issuance: _____, 2015

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by the Indenture of Trust dated as of _____ 1, 2015, by and between the Issuer and U.S. Bank National Association, as trustee. The Issuer anticipated that the Annual Report will be filed by _____.

Dated: _____

U.S. BANK NATIONAL ASSOCIATION, as
Dissemination Agent on behalf of the Issuer

APPENDIX G

DTC AND THE BOOK-ENTRY-ONLY SYSTEM

The information in this section concerning DTC and DTC's book-entry only system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the completeness or accuracy thereof. The following description of the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, premium, if any, accreted value and interest on the Bonds to DTC Participants or Beneficial Owners, confirmation and transfers of beneficial ownership interests in the Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC to the District which the District believes to be reliable, but the District and the Underwriter do not and cannot make any independent representations concerning these matters and do not take responsibility for the accuracy or completeness thereof. Neither the DTC, Direct Participants, Indirect Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

The Depository Trust Company ("DTC"), New York, New York, 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 will be issued for each annual maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited through the facilities of 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 Bonds representing their ownership interests in 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 prepayments, 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 a maturity are being prepaid, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity 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, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Trustee, 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 Trustee, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Trustee, 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.

A Bond Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to the Trustee, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, to the Trustee. The requirement for physical delivery of Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Bonds to the Trustee's DTC account.

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 Trustee. Under such circumstances, in the event that a successor depository is not obtained, physical 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, Bonds will be printed and delivered to DTC.

THE TRUSTEE, AS LONG AS A BOOK-ENTRY ONLY SYSTEM IS USED FOR THE BONDS, WILL SEND ANY NOTICE OF REDEMPTION OR OTHER NOTICES TO OWNERS ONLY TO DTC. ANY FAILURE OF DTC TO ADVISE ANY DTC PARTICIPANT, OR OF ANY DTC PARTICIPANT TO NOTIFY ANY BENEFICIAL OWNER, OF ANY NOTICE AND ITS CONTENT OR EFFECT WILL NOT AFFECT THE VALIDITY OF SUFFICIENCY OF THE PROCEEDINGS RELATING TO THE REDEMPTION OF THE BONDS CALLED FOR REDEMPTION OR OF ANY OTHER ACTION PREMISED ON SUCH NOTICE.

APPENDIX H
SPECIMEN MUNICIPAL BOND INSURANCE POLICY

**Board Meeting Agenda
December 8, 2014**

Topic: 2014-2015 First Period Interim Report

Presented by: Michael H. Fine, Michael H. Fine, Deputy Superintendent, Business Services and Governmental Relations

Responsible

Cabinet Member: Michael H. Fine, Deputy Superintendent, Business Services and Governmental Relations

Type of Item: Action

Short Description: California Education Code Section 42130 and 42131, which incorporate provisions of AB1200, requires each district in the State of California to file interim reports twice each fiscal year. The first report covers the financial and budgetary status of the District for the period ending October 31, 2014.

DESCRIPTION OF AGENDA ITEM:

California Education Code Sections 42130 and 42131, which incorporate provisions of AB 1200 and its subsequent amendments, require each district in the State of California to file interim reports twice each fiscal year. The first report covers the financial and budgetary status of the District for the period ending October 31st. The second report covers the period ending January 31st. Both interim reports require the approval of the Board of Education, including the adoption of a certification on the District's financial condition. The purpose of the interim reporting is to raise early warning flags for districts that will not be able to meet financial obligations for the current fiscal year, including required reserves.

The First Period Interim Report includes the following:

1. First Period Interim Report (Forms 01, A1, RL1)
2. Standards and Criteria
3. Actual and Projected Cash Flows
4. Multi-Year Projections

The First Period Interim Report, for the period ending October 31, 2014, is being presented to the Board of Education for approval. The Board must certify in writing whether or not the

District is able to meet its financial obligations for the remainder of the fiscal year based on the following:

1. The standards and criteria for fiscal stability established by the State of California.
2. The District's projected cash within the County Treasury and the projected unrestricted fund balances that will be available for meeting its obligations.
3. Any additional financial information known by the Governing Board to exist at the time of certification.

Major revisions to the adopted budget have been reported to and approved by the Board of Education on a periodic basis through resolutions to appropriate funds. These resolutions have included corrections, appropriation of federal and state categorical funds and appropriations from the ending fund balance. The First Period Interim Report reflects these previously approved appropriations and adjustments, under the heading Board Approved Operating Budget.

On November 19, 2014, the Legislative Analyst's Office (LAO) released their annual "California's Fiscal Outlook" report. This report represents the initial look at future state budget considerations. It is important to note that the LAO prepared multiple forecasts. The comments below are reflective of their "main" forecast, but they are prepared a pessimistic forecast that analyzes the impact from a hypothetical economic slowdown. The message in the fact they prepared an alternative version should not be lost. A simple summary with a few highlights of the LAO's report is shown below.

Current year – The Analyst states that it expects the year-end budget revenues to exceed 2014-15 budget projections by about \$2 billion (about twice the total that has been accumulated over the first four months). And while it expects "modest" revenue growth in 2015-16, "the resources available for Proposition 98 priorities in 2015-16 will be significantly higher than the current ongoing spending level, making the near-term outlook for schools and community colleges especially favorable."

For Proposition 98, this would mean an increase in the *2014–15 Minimum Guarantee over Budget Act Estimates of \$2.3 Billion*, "primarily to General Fund revenue being higher than budget assumptions. General Fund revenue that counts toward Proposition 98 is up \$2.2 billion, yielding a near dollar-for-dollar increase in the guarantee. Almost all of this increased Proposition 98 revenue will come from the State's General fund, and the first \$1 billion is already dedicated by the last state Budget to conclude the payoff of the remaining cash deferrals owed to K-12 and community colleges."

This still leaves about \$1.5 billion to spend – and the LAO states:

"Given the 2014–15 school year is underway, this funding in practical terms is available for *one-time* purposes. In recent years, the state has prioritized various one-time purposes, including paying down the education mandate cost reimbursement backlog, paying down outstanding Emergency Repair Program (ERP) obligations, and supporting new initiatives, such as implementation of the Common Core State Standards and creation of the California

Action Agenda — Page 2

Career Pathways Trust. We estimate the state currently has a total of \$4.3 billion in unpaid education mandate claims. It has \$274 million in outstanding ERP obligations.”

Next year – The LAO expects an increase in Proposition 98 funding in the 2015-16 Budget Act of about \$2.6 billion, due almost entirely to increased local property taxes to schools, as a result of the ending of the “triple flip” and post-recession increases in assessed valuation. Because so much of the 2014-15 Proposition 98 spending is on one-time expenditures, this would mean that an additional \$6.5 billion would be available for new Proposition 98 expenditures in 2015-16.

It remains to be seen if the forecast plays out as expected and also how the governor will treat the economic news. As noted above, his track record to date is to budget very conservatively, and we don’t expect this to change, so the January Budget is likely to target most, if not all, of this new revenue to paying down the remaining wall of debt, notably the \$1 billion in deferrals and \$4.3 billion in deferred mandated cost reimbursement claims.

Other insights – “The Legislature’s key Proposition 98 decisions in the coming budget cycle likely will revolve around how best to allocate these funds among preschools, schools, and community colleges; how much to designate for ongoing versus one-time purposes; and how much to use for starting new initiatives versus sustaining or extending existing efforts.”

And as mentioned above, the caveat – “Because the outlook for the minimum guarantee in 2016–17 can help inform the Legislature’s 2015–16 decisions, we also examined a hypothetical economic slowdown scenario that is more pessimistic than our main scenario. In this slowdown scenario, we assume General Fund revenue is below our main forecast by \$2.6 billion in 2015–16 and \$8.2 billion in 2016-17. This would reflect a moderate slowdown in overall economic activity and a sharp stock market decline in 2016. Under the slowdown scenario, if the Legislature had committed all available Proposition 98 funds in 2015–16 for ongoing purposes, it would face pressure in 2016-17 either to reduce ongoing programs or raise additional revenue to sustain the prior year ongoing funding level.”

The one-time funding dilemma – “Given the volatility of the state’s General Fund revenues, our main scenario realistically could under- or over-estimate the minimum guarantee by billions of dollars. If the 2014–15 through 2016–17 guarantees are higher than under our main scenario, the state likely could make greater progress in implementing the Local Control Funding Formula (LCFF). Alternatively, if the guarantee over this near-term period is lower than in our main scenario, the state likely would face difficulty sustaining ongoing Proposition 98 (and non-Proposition 98) programs. Because of the possibility that the guarantee in future years could be lower than the 2015–16 guarantee, we recommend the Legislature designate some Proposition 98 funds in 2015–16 for one-time purposes. Doing so would mitigate downside risk while also helping the state pay down its outstanding one-time obligations (most notably, the multibillion dollar education mandates backlog).”

Pension rate increases – Based upon legislation adopted in 2014 that is designed to address outstanding CalSTRS’ and CalPERS’ liabilities, school and community college districts’

contribution rates are set to increase beginning in 2014–15 and every year thereafter of the forecast period. In 2014–15, the CalSTRS rate increase is 0.63 percent (for a total district contribution rate of 8.88 percent). By the last year of the forecast period, the total cumulative rate increase is 9.88 percent (for a total district contribution rate of 18.13 percent). CalSTRS estimates that districts’ contribution costs will be \$3.1 billion higher in 2019–20 compared to 2014–15. Under the LAO’s main scenario, the minimum guarantee in 2019–20 is \$11.3 billion higher than 2014–15. So, approximately 30 percent of all new funding will have to go to paying STRS obligations.

The rainy day fund – The Proposition 2 rainy day fund, approved by voters in November, created a new reserve—the Public School System Stabilization Account (PSSSA). Proposition 2 is connected with a recently enacted state law that triggers a reduction in school district reserve levels the year after the state makes a deposit into the PSSSA. Under the LAO’s main revenue scenario the state would not make a deposit into the PSSSA. The cap on school district reserve levels therefore would not be triggered at any time during the forecast period.

The District adopted a 2014-15 budget in June 2014 at which time the State of California had not adopted a 2014-15 budget. The District budget was prepared using all available information at that time. However, as is often the case, last minute negotiations over the state budget changed some assumptions.

The Board of Education’s Finance Subcommittee met and reviewed the First Period Interim Report on December 2, 2014. Based on the adopted budget and revisions to both the adopted budget and multi-year forecast since adoption, staff recommends a certification of a positive First Period Interim Financial Report, and projects that the District will meet its financial obligations for the current fiscal year and subsequent two fiscal years.

FISCAL IMPACT: None

RECOMMENDATION: It is recommended that the Board of Education approve the 2014-2015 First Period Interim Report and adopt a positive certification pursuant to Education Code 42131.

ADDITIONAL MATERIAL: 1) Interim Report (form), and 2) Presentation

Attached: Yes

NOTICE OF CRITERIA AND STANDARDS REVIEW. This interim report was based upon and reviewed using the state-adopted Criteria and Standards. (Pursuant to Education Code (EC) sections 33129 and 42130)

Signed: _____ Date: _____
District Superintendent or Designee

NOTICE OF INTERIM REVIEW. All action shall be taken on this report during a regular or authorized special meeting of the governing board.

To the County Superintendent of Schools:

This interim report and certification of financial condition are hereby filed by the governing board of the school district. (Pursuant to EC Section 42131)

Meeting Date: December 08, 2014 Signed: _____
President of the Governing Board

CERTIFICATION OF FINANCIAL CONDITION

___ POSITIVE CERTIFICATION

As President of the Governing Board of this school district, I certify that based upon current projections this district will meet its financial obligations for the current fiscal year and subsequent two fiscal years.

___ QUALIFIED CERTIFICATION

As President of the Governing Board of this school district, I certify that based upon current projections this district may not meet its financial obligations for the current fiscal year or two subsequent fiscal years.

___ NEGATIVE CERTIFICATION

As President of the Governing Board of this school district, I certify that based upon current projections this district will be unable to meet its financial obligations for the remainder of the current fiscal year or for the subsequent fiscal year.

Contact person for additional information on the interim report:

Name: Dalia Gadelmawla Telephone: 951-352-6729 X82401
Title: Interim Director, Business Services E-mail: dgadelmawla@rusd.k12.ca.us

Criteria and Standards Review Summary

The following summary is automatically completed based on data provided in the Criteria and Standards Review form (Form 01CSI). Criteria and standards that are "Not Met," and supplemental information and additional fiscal indicators that are "Yes," may indicate areas of potential concern, which could affect the interim report certification, and should be carefully reviewed.

CRITERIA AND STANDARDS			Met	Not Met
1	Average Daily Attendance	Funded ADA for any of the current or two subsequent fiscal years has not changed by more than two percent since budget adoption.	X	

CRITERIA AND STANDARDS (continued)			Met	Not Met
2	Enrollment	Projected enrollment for any of the current or two subsequent fiscal years has not changed by more than two percent since budget adoption.	X	
3	ADA to Enrollment	Projected second period (P-2) ADA to enrollment ratio for the current and two subsequent fiscal years is consistent with historical ratios.		X
4	Local Control Funding Formula (LCFF)	Projected LCFF for any of the current or two subsequent fiscal years has not changed by more than two percent since budget adoption.		X
5	Salaries and Benefits	Projected ratio of total unrestricted salaries and benefits to total unrestricted general fund expenditures has not changed by more than the standard for the current and two subsequent fiscal years.		X
6a	Other Revenues	Projected operating revenues (federal, other state, other local) for the current and two subsequent fiscal years have not changed by more than five percent since budget adoption.		X
6b	Other Expenditures	Projected operating expenditures (books and supplies, services and other expenditures) for the current and two subsequent fiscal years have not changed by more than five percent since budget adoption.		X
7a	Deferred Maintenance	AB 97 (Chapter 47, Statutes of 2013) eliminated the Deferred Maintenance program under the Local Control Funding Formula. This section has been inactivated.		
7b	Ongoing and Major Maintenance Account	If applicable, changes occurring since budget adoption meet the required contribution to the ongoing and major maintenance account (i.e., restricted maintenance account).	X	
8	Deficit Spending	Unrestricted deficit spending, if any, has not exceeded the standard in any of the current or two subsequent fiscal years.		X
9a	Fund Balance	Projected general fund balance will be positive at the end of the current and two subsequent fiscal years.	X	
9b	Cash Balance	Projected general fund cash balance will be positive at the end of the current fiscal year.	X	
10	Reserves	Available reserves (e.g., reserve for economic uncertainties, unassigned/unappropriated amounts) meet minimum requirements for the current and two subsequent fiscal years.	X	

SUPPLEMENTAL INFORMATION			No	Yes
S1	Contingent Liabilities	Have any known or contingent liabilities (e.g., financial or program audits, litigation, state compliance reviews) occurred since budget adoption that may impact the budget?	X	
S2	Using One-time Revenues to Fund Ongoing Expenditures	Are there ongoing general fund expenditures funded with one-time revenues that have changed since budget adoption by more than five percent?		X
S3	Temporary Interfund Borrowings	Are there projected temporary borrowings between funds?		X
S4	Contingent Revenues	Are any projected revenues for any of the current or two subsequent fiscal years contingent on reauthorization by the local government, special legislation, or other definitive act (e.g., parcel taxes, forest reserves)?	X	
S5	Contributions	Have contributions from unrestricted to restricted resources, or transfers to or from the general fund to cover operating deficits, changed since budget adoption by more than \$20,000 and more than 5% for any of the current or two subsequent fiscal years?	X	

SUPPLEMENTAL INFORMATION (continued)			No	Yes
S6	Long-term Commitments	Does the district have long-term (multiyear) commitments or debt agreements?		X
		• If yes, have annual payments for the current or two subsequent fiscal years increased over prior year's (2013-14) annual payment?	X	
		• If yes, will funding sources used to pay long-term commitments decrease or expire prior to the end of the commitment period, or are they one-time sources?		X
S7a	Postemployment Benefits Other than Pensions	Does the district provide postemployment benefits other than pensions (OPEB)?		X
		• If yes, have there been changes since budget adoption in OPEB liabilities?	X	
S7b	Other Self-insurance Benefits	Does the district operate any self-insurance programs (e.g., workers' compensation)?		X
		• If yes, have there been changes since budget adoption in self-insurance liabilities?	X	
S8	Status of Labor Agreements	As of first interim projections, are salary and benefit negotiations still unsettled for:		
		• Certificated? (Section S8A, Line 1b)	X	
		• Classified? (Section S8B, Line 1b)	X	
		• Management/supervisor/confidential? (Section S8C, Line 1b)	n/a	
S8	Labor Agreement Budget Revisions	For negotiations settled since budget adoption, per Government Code Section 3547.5(c), are budget revisions still needed to meet the costs of the collective bargaining agreement(s) for:		
		• Certificated? (Section S8A, Line 3)	X	
		• Classified? (Section S8B, Line 3)	X	
S9	Status of Other Funds	Are any funds other than the general fund projected to have a negative fund balance at the end of the current fiscal year?	X	

ADDITIONAL FISCAL INDICATORS			No	Yes
A1	Negative Cash Flow	Do cash flow projections show that the district will end the current fiscal year with a negative cash balance in the general fund?	X	
A2	Independent Position Control	Is personnel position control independent from the payroll system?		X
A3	Declining Enrollment	Is enrollment decreasing in both the prior and current fiscal years?	X	
A4	New Charter Schools Impacting District Enrollment	Are any new charter schools operating in district boundaries that are impacting the district's enrollment, either in the prior or current fiscal year?	X	
A5	Salary Increases Exceed COLA	Has the district entered into a bargaining agreement where any of the current or subsequent fiscal years of the agreement would result in salary increases that are expected to exceed the projected state funded cost-of-living adjustment?	X	
A6	Uncapped Health Benefits	Does the district provide uncapped (100% employer paid) health benefits for current or retired employees?	X	
A7	Independent Financial System	Is the district's financial system independent from the county office system?	X	
A8	Fiscal Distress Reports	Does the district have any reports that indicate fiscal distress? If yes, provide copies to the COE, pursuant to EC 42127.6(a).	X	
A9	Change of CBO or Superintendent	Have there been personnel changes in the superintendent or chief business official (CBO) positions within the last 12 months?		X

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff (E/B) (F)
A. REVENUES								
1) LCFF Sources		8010-8099	307,443,252.00	302,926,514.00	75,557,353.43	301,198,550.00	(1,727,964.00)	-0.6%
2) Federal Revenue		8100-8299	306,000.00	306,000.00	44,284.00	306,000.00	0.00	0.0%
3) Other State Revenue		8300-8599	7,084,059.00	7,744,664.03	448,355.03	10,446,217.03	2,701,553.00	34.9%
4) Other Local Revenue		8600-8799	3,142,291.00	3,142,291.00	613,005.18	3,142,291.00	0.00	0.0%
5) TOTAL, REVENUES			317,975,602.00	314,119,469.03	76,662,997.64	315,093,058.03		
B. EXPENDITURES								
1) Certificated Salaries		1000-1999	149,647,827.00	149,645,150.22	35,157,697.23	150,054,394.22	(409,244.00)	-0.3%
2) Classified Salaries		2000-2999	35,125,770.00	35,277,569.53	9,775,998.62	35,287,490.53	(9,921.00)	0.0%
3) Employee Benefits		3000-3999	50,405,334.00	50,534,316.10	15,034,078.03	51,558,179.10	(1,023,863.00)	-2.0%
4) Books and Supplies		4000-4999	13,569,934.00	16,796,587.59	5,239,447.78	17,062,371.59	(265,784.00)	-1.6%
5) Services and Other Operating Expenditures		5000-5999	29,409,340.00	30,657,955.80	7,021,529.41	30,657,955.80	0.00	0.0%
6) Capital Outlay		6000-6999	7,111,558.00	7,995,134.85	2,957,696.18	8,443,181.01	(448,046.16)	-5.6%
7) Other Outgo (excluding Transfers of Indirect Costs)		7100-7299 7400-7499	70,000.00	70,000.00	0.00	70,000.00	0.00	0.0%
8) Other Outgo - Transfers of Indirect Costs		7300-7399	(4,093,738.00)	(4,252,074.43)	(36,490.16)	(4,252,074.43)	0.00	0.0%
9) TOTAL, EXPENDITURES			281,246,025.00	286,724,639.66	75,149,957.09	288,881,497.82		
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9)			36,729,577.00	27,394,829.37	1,513,040.55	26,211,560.21		
D. OTHER FINANCING SOURCES/USES								
1) Interfund Transfers								
a) Transfers In		8900-8929	0.00	0.00	6,000.00	0.00	0.00	0.0%
b) Transfers Out		7600-7629	3,475,618.00	3,339,618.00	1,591,000.00	3,339,618.00	0.00	0.0%
2) Other Sources/Uses								
a) Sources		8930-8979	0.00	0.00	0.00	0.00	0.00	0.0%
b) Uses		7630-7699	0.00	0.00	0.00	0.00	0.00	0.0%
3) Contributions		8980-8999	(40,173,702.00)	(40,173,702.00)	0.00	(40,173,702.00)	0.00	0.0%
4) TOTAL, OTHER FINANCING SOURCES/USES			(43,649,320.00)	(43,513,320.00)	(1,585,000.00)	(43,513,320.00)		

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff (E/B) (F)
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)			(6,919,743.00)	(16,118,490.63)	(71,959.45)	(17,301,759.79)		
F. FUND BALANCE, RESERVES								
1) Beginning Fund Balance								
a) As of July 1 - Unaudited		9791	64,641,664.00	58,769,929.17		58,769,929.17	0.00	0.0%
b) Audit Adjustments		9793	0.00	0.00		3,392,130.00	3,392,130.00	New
c) As of July 1 - Audited (F1a + F1b)			64,641,664.00	58,769,929.17		62,162,059.17		
d) Other Restatements		9795	0.00	0.00		0.00	0.00	0.0%
e) Adjusted Beginning Balance (F1c + F1d)			64,641,664.00	58,769,929.17		62,162,059.17		
2) Ending Balance, June 30 (E + F1e)			57,721,921.00	42,651,438.54		44,860,299.38		
Components of Ending Fund Balance								
a) Nonspendable								
Revolving Cash		9711	150,000.00	150,000.00		150,000.00		
Stores		9712	500,000.00	500,000.00		500,000.00		
Prepaid Expenditures		9713	0.00	0.00		0.00		
All Others		9719	0.00	0.00		0.00		
b) Restricted		9740	0.00	0.00		0.00		
c) Committed								
Stabilization Arrangements		9750	0.00	0.00		0.00		
Other Commitments		9760	0.00	14,516,243.24		16,544,750.08		
d) Assigned								
Other Assignments		9780	10,021,125.00	2,814,383.17		3,953,800.17		
e) Unassigned/Unappropriated								
Reserve for Economic Uncertainties		9789	7,682,189.00	7,682,189.00		8,180,943.00		
Unassigned/Unappropriated Amount		9790	39,368,607.00	16,988,623.13		15,530,806.13		

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff (E/B) (F)
LCFF SOURCES								
Principal Apportionment State Aid - Current Year		8011	209,856,905.00	198,583,357.00	57,234,252.00	195,994,826.00	(2,588,531.00)	-1.3%
Education Protection Account State Aid - Current Year		8012	39,121,596.00	45,879,351.00	11,710,650.00	46,816,843.00	937,492.00	2.0%
State Aid - Prior Years		8019	0.00	0.00	0.00	0.00	0.00	0.0%
Tax Relief Subventions Homeowners' Exemptions		8021	908,860.00	908,860.00	0.00	908,860.00	0.00	0.0%
Timber Yield Tax		8022	0.00	0.00	0.00	0.00	0.00	0.0%
Other Subventions/In-Lieu Taxes		8029	0.00	0.00	0.00	0.00	0.00	0.0%
County & District Taxes Secured Roll Taxes		8041	57,192,963.00	57,192,963.00	0.00	57,192,963.00	0.00	0.0%
Unsecured Roll Taxes		8042	2,863,508.00	2,863,508.00	2,757,360.63	2,863,508.00	0.00	0.0%
Prior Years' Taxes		8043	3,572,374.00	3,572,374.00	3,659,926.40	3,572,374.00	0.00	0.0%
Supplemental Taxes		8044	768,062.00	768,062.00	270,471.40	768,062.00	0.00	0.0%
Education Revenue Augmentation Fund (ERAF)		8045	(13,703,357.00)	(13,703,357.00)	0.00	(13,703,357.00)	0.00	0.0%
Community Redevelopment Funds (SB 617/699/1992)		8047	7,221,375.00	7,221,375.00	0.00	7,221,375.00	0.00	0.0%
Penalties and Interest from Delinquent Taxes		8048	0.00	0.00	0.00	0.00	0.00	0.0%
Miscellaneous Funds (EC 41604) Royalties and Bonuses		8081	0.00	0.00	0.00	0.00	0.00	0.0%
Other In-Lieu Taxes		8082	0.00	0.00	0.00	0.00	0.00	0.0%
Less: Non-LCFF (50%) Adjustment		8089	0.00	0.00	0.00	0.00	0.00	0.0%
Subtotal, LCFF Sources			307,802,286.00	303,286,493.00	75,632,660.43	301,635,454.00	(1,651,039.00)	-0.5%
LCFF Transfers								
Unrestricted LCFF Transfers - Current Year	0000	8091	0.00	0.00	0.00	0.00	0.00	0.0%
All Other LCFF Transfers - Current Year	All Other	8091	0.00	0.00	0.00	0.00	0.00	0.0%
Transfers to Charter Schools in Lieu of Property Taxes		8096	(359,034.00)	(359,979.00)	(75,307.00)	(436,904.00)	(76,925.00)	21.4%
Property Taxes Transfers		8097	0.00	0.00	0.00	0.00	0.00	0.0%
LCFF/Revenue Limit Transfers - Prior Years		8099	0.00	0.00	0.00	0.00	0.00	0.0%
TOTAL, LCFF SOURCES			307,443,252.00	302,926,514.00	75,557,353.43	301,198,550.00	(1,727,964.00)	-0.6%
FEDERAL REVENUE								
Maintenance and Operations		8110	0.00	0.00	0.00	0.00	0.00	0.0%
Special Education Entitlement		8181	0.00	0.00	0.00	0.00		
Special Education Discretionary Grants		8182	0.00	0.00	0.00	0.00		
Child Nutrition Programs		8220	0.00	0.00	0.00	0.00		
Forest Reserve Funds		8260	0.00	0.00	0.00	0.00	0.00	0.0%
Flood Control Funds		8270	0.00	0.00	0.00	0.00	0.00	0.0%
Wildlife Reserve Funds		8280	0.00	0.00	0.00	0.00	0.00	0.0%
FEMA		8281	0.00	0.00	0.00	0.00	0.00	0.0%
Interagency Contracts Between LEAs		8285	0.00	0.00	0.00	0.00	0.00	0.0%
Pass-Through Revenues from Federal Sources		8287	0.00	0.00	0.00	0.00		
NCLB: Title I, Part A, Basic Grants Low-Income and Neglected	3010	8290						
NCLB: Title I, Part D, Local Delinquent Program	3025	8290						
NCLB: Title II, Part A, Teacher Quality	4035	8290						

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff (E/B) (F)
NCLB: Title III, Immigration Education Program	4201	8290						
NCLB: Title III, Limited English Proficient (LEP) Student Program	4203	8290						
NCLB: Title V, Part B, Public Charter Schools Grant Program (PCSGP)	4610	8290						
Other No Child Left Behind	3011-3020, 3026-3205, 4036-4126, 5510	8290						
Vocational and Applied Technology Education	3500-3699	8290						
Safe and Drug Free Schools	3700-3799	8290						
All Other Federal Revenue	All Other	8290	306,000.00	306,000.00	44,284.00	306,000.00	0.00	0.0%
TOTAL, FEDERAL REVENUE			306,000.00	306,000.00	44,284.00	306,000.00	0.00	0.0%
OTHER STATE REVENUE								
Other State Apportionments								
ROC/P Entitlement Current Year	6355-6360	8311						
Prior Years	6355-6360	8319						
Special Education Master Plan Current Year	6500	8311						
Prior Years	6500	8319						
All Other State Apportionments - Current Year	All Other	8311	0.00	0.00	0.00	0.00	0.00	0.0%
All Other State Apportionments - Prior Years	All Other	8319	0.00	0.00	0.00	0.00	0.00	0.0%
Child Nutrition Programs		8520	0.00	0.00	0.00	0.00		
Mandated Costs Reimbursements		8550	1,492,001.00	1,492,001.00	0.00	4,193,554.00	2,701,553.00	181.1%
Lottery - Unrestricted and Instructional Materials		8560	5,592,058.00	6,002,663.03	410,605.03	6,002,663.03	0.00	0.0%
Tax Relief Subventions								
Restricted Levies - Other								
Homeowners' Exemptions		8575	0.00	0.00	0.00	0.00		
Other Subventions/In-Lieu Taxes		8576	0.00	0.00	0.00	0.00		
Pass-Through Revenues from State Sources		8587	0.00	0.00	0.00	0.00	0.00	0.0%
School Based Coordination Program	7250	8590						
After School Education and Safety (ASES)	6010	8590						
Charter School Facility Grant	6030	8590						
Drug/Alcohol/Tobacco Funds	6650, 6690	8590						
California Clean Energy Jobs Act	6230	8590						
Healthy Start	6240	8590						
Specialized Secondary	7370	8590						
American Indian Early Childhood Education	7210	8590						
School Community Violence Prevention Grant	7391	8590						
Quality Education Investment Act	7400	8590						
Common Core State Standards Implementation	7405	8590						
All Other State Revenue	All Other	8590	0.00	250,000.00	37,750.00	250,000.00	0.00	0.0%
TOTAL, OTHER STATE REVENUE			7,084,059.00	7,744,664.03	448,355.03	10,446,217.03	2,701,553.00	34.9%

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff (E/B) (F)
OTHER LOCAL REVENUE								
Other Local Revenue								
County and District Taxes								
Other Restricted Levies								
Secured Roll		8615	0.00	0.00	0.00	0.00		
Unsecured Roll		8616	0.00	0.00	0.00	0.00		
Prior Years' Taxes		8617	0.00	0.00	0.00	0.00		
Supplemental Taxes		8618	0.00	0.00	0.00	0.00		
Non-Ad Valorem Taxes								
Parcel Taxes		8621	0.00	0.00	0.00	0.00	0.00	0.0%
Other		8622	0.00	0.00	0.00	0.00	0.00	0.0%
Community Redevelopment Funds								
Not Subject to LCFF Deduction		8625	0.00	0.00	0.00	0.00		
Penalties and Interest from Delinquent Non-LCFF Taxes		8629	0.00	0.00	0.00	0.00		
Sales								
Sale of Equipment/Supplies		8631	0.00	0.00	0.00	0.00	0.00	0.0%
Sale of Publications		8632	152,000.00	152,000.00	580.15	152,000.00	0.00	0.0%
Food Service Sales		8634	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Sales		8639	0.00	0.00	0.00	0.00	0.00	0.0%
Leases and Rentals		8650	573,640.00	573,640.00	228,410.99	573,640.00	0.00	0.0%
Interest		8660	250,000.00	250,000.00	10,666.25	250,000.00	0.00	0.0%
Net Increase (Decrease) in the Fair Value of Investments		8662	0.00	0.00	0.00	0.00	0.00	0.0%
Fees and Contracts								
Adult Education Fees		8671	80,000.00	80,000.00	39,000.00	80,000.00	0.00	0.0%
Non-Resident Students		8672	0.00	0.00	0.00	0.00	0.00	0.0%
Transportation Fees From Individuals		8675	38,000.00	38,000.00	30,372.00	38,000.00	0.00	0.0%
Interagency Services		8677	0.00	0.00	0.00	0.00	0.00	0.0%
Mitigation/Developer Fees		8681	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Fees and Contracts		8689	0.00	0.00	0.00	0.00	0.00	0.0%
Other Local Revenue								
Plus: Misc Funds Non-LCFF (50%) Adjustment		8691	0.00	0.00	0.00	0.00	0.00	0.0%
Pass-Through Revenues From Local Sources		8697	0.00	0.00	0.00	0.00		
All Other Local Revenue		8699	2,048,651.00	2,048,651.00	303,975.79	2,048,651.00	0.00	0.0%
Tuition		8710	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Transfers In		8781-8783	0.00	0.00	0.00	0.00	0.00	0.0%
Transfers Of Apportionments								
Special Education SELPA Transfers								
From Districts or Charter Schools	6500	8791						
From County Offices	6500	8792						
From JPAs	6500	8793						
ROC/P Transfers								
From Districts or Charter Schools	6360	8791						
From County Offices	6360	8792						
From JPAs	6360	8793						
Other Transfers of Apportionments								
From Districts or Charter Schools	All Other	8791	0.00	0.00	0.00	0.00	0.00	0.0%
From County Offices	All Other	8792	0.00	0.00	0.00	0.00	0.00	0.0%
From JPAs	All Other	8793	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Transfers In from All Others		8799	0.00	0.00	0.00	0.00	0.00	0.0%
TOTAL, OTHER LOCAL REVENUE			3,142,291.00	3,142,291.00	613,005.18	3,142,291.00	0.00	0.0%
TOTAL, REVENUES			317,975,602.00	314,119,469.03	76,662,997.64	315,093,058.03	973,589.00	0.3%

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff (E/B) (F)
Certificated Teachers' Salaries		1100	129,541,076.00	129,650,240.57	29,557,703.02	130,059,484.57	(409,244.00)	-0.3%
Certificated Pupil Support Salaries		1200	5,641,895.00	5,657,905.16	1,120,998.60	5,657,905.16	0.00	0.0%
Certificated Supervisors' and Administrators' Salaries		1300	13,455,496.00	13,357,365.00	4,266,551.78	13,357,365.00	0.00	0.0%
Other Certificated Salaries		1900	1,009,360.00	979,639.49	212,443.83	979,639.49	0.00	0.0%
TOTAL, CERTIFICATED SALARIES			149,647,827.00	149,645,150.22	35,157,697.23	150,054,394.22	(409,244.00)	-0.3%
CLASSIFIED SALARIES								
Classified Instructional Salaries		2100	1,324,933.00	1,350,621.20	236,609.71	1,350,621.20	0.00	0.0%
Classified Support Salaries		2200	13,727,778.00	13,722,158.00	3,894,096.14	13,732,079.00	(9,921.00)	-0.1%
Classified Supervisors' and Administrators' Salaries		2300	4,939,714.00	5,047,572.00	1,550,464.23	5,047,572.00	0.00	0.0%
Clerical, Technical and Office Salaries		2400	12,502,969.00	12,520,936.37	3,549,796.32	12,520,936.37	0.00	0.0%
Other Classified Salaries		2900	2,630,376.00	2,636,281.96	545,032.22	2,636,281.96	0.00	0.0%
TOTAL, CLASSIFIED SALARIES			35,125,770.00	35,277,569.53	9,775,998.62	35,287,490.53	(9,921.00)	0.0%
EMPLOYEE BENEFITS								
STRS		3101-3102	14,253,581.00	14,282,158.18	3,143,651.41	14,355,723.18	(73,565.00)	-0.5%
PERS		3201-3202	4,091,203.00	4,110,917.00	1,057,914.65	4,113,155.00	(2,238.00)	-0.1%
OASDI/Medicare/Alternative Health and Welfare Benefits		3301-3302	4,769,091.00	4,779,030.92	1,196,959.31	4,779,030.92	0.00	0.0%
Unemployment Insurance		3401-3402	22,658,636.00	22,718,972.00	8,430,851.04	23,667,032.00	(948,060.00)	-4.2%
Workers' Compensation		3501-3502	92,439.00	92,682.16	22,473.82	92,682.16	0.00	0.0%
OPEB, Allocated		3601-3602	2,957,839.00	2,965,870.33	718,356.16	2,965,870.33	0.00	0.0%
OPEB, Active Employees		3701-3702	831,882.00	834,061.51	180,731.03	834,061.51	0.00	0.0%
Other Employee Benefits		3751-3752	660,812.00	660,817.00	242,477.19	660,817.00	0.00	0.0%
Other Employee Benefits		3901-3902	89,851.00	89,807.00	40,663.42	89,807.00	0.00	0.0%
TOTAL, EMPLOYEE BENEFITS			50,405,334.00	50,534,316.10	15,034,078.03	51,558,179.10	(1,023,863.00)	-2.0%
BOOKS AND SUPPLIES								
Approved Textbooks and Core Curricula Materials		4100	2,046,400.00	2,014,053.96	1,897,439.80	2,014,053.96	0.00	0.0%
Books and Other Reference Materials		4200	915,393.00	1,004,497.39	34,155.24	1,004,497.39	0.00	0.0%
Materials and Supplies		4300	9,467,472.00	12,018,493.16	2,525,409.96	12,284,277.16	(265,784.00)	-2.2%
Noncapitalized Equipment		4400	1,140,669.00	1,759,543.08	782,442.78	1,759,543.08	0.00	0.0%
Food		4700	0.00	0.00	0.00	0.00	0.00	0.0%
TOTAL, BOOKS AND SUPPLIES			13,569,934.00	16,796,587.59	5,239,447.78	17,062,371.59	(265,784.00)	-1.6%
SERVICES AND OTHER OPERATING EXPENDITURES								
Subagreements for Services		5100	11,219,126.00	11,249,578.22	2,025,970.20	11,249,578.22	0.00	0.0%
Travel and Conferences		5200	527,547.00	642,982.95	228,477.43	642,982.95	0.00	0.0%
Dues and Memberships		5300	111,405.00	137,175.00	80,829.50	137,175.00	0.00	0.0%
Insurance		5400-5450	0.00	0.00	0.00	0.00	0.00	0.0%
Operations and Housekeeping Services		5500	6,649,727.00	6,649,516.00	1,848,081.77	6,649,516.00	0.00	0.0%
Rentals, Leases, Repairs, and Noncapitalized Improvements		5600	652,485.00	1,942,811.51	405,329.38	1,942,811.51	0.00	0.0%
Transfers of Direct Costs		5710	(858,059.00)	(899,608.35)	(38,390.38)	(899,608.35)	0.00	0.0%
Transfers of Direct Costs - Interfund		5750	(24,968.00)	(17,754.00)	8,050.29	(17,754.00)	0.00	0.0%
Professional/Consulting Services and Operating Expenditures		5800	10,023,608.00	9,840,150.47	2,372,952.99	9,840,150.47	0.00	0.0%
Communications		5900	1,108,469.00	1,113,104.00	90,228.23	1,113,104.00	0.00	0.0%
TOTAL, SERVICES AND OTHER OPERATING EXPENDITURES			29,409,340.00	30,657,955.80	7,021,529.41	30,657,955.80	0.00	0.0%

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff (E/B) (F)
CAPITAL OUTLAY								
Land		6100	0.00	0.00	0.00	0.00	0.00	0.0%
Land Improvements		6170	0.00	0.00	0.00	0.00	0.00	0.0%
Buildings and Improvements of Buildings		6200	4,925,308.00	5,748,469.85	2,413,484.38	6,196,516.01	(448,046.16)	-7.8%
Books and Media for New School Libraries or Major Expansion of School Libraries		6300	0.00	0.00	0.00	0.00	0.00	0.0%
Equipment		6400	40,000.00	102,896.00	71,806.60	102,896.00	0.00	0.0%
Equipment Replacement		6500	2,146,250.00	2,143,769.00	472,405.20	2,143,769.00	0.00	0.0%
TOTAL, CAPITAL OUTLAY			7,111,558.00	7,995,134.85	2,957,696.18	8,443,181.01	(448,046.16)	-5.6%
OTHER OUTGO (excluding Transfers of Indirect Costs)								
Tuition								
Tuition for Instruction Under Interdistrict Attendance Agreements		7110	0.00	0.00	0.00	0.00	0.00	0.0%
State Special Schools		7130	0.00	0.00	0.00	0.00	0.00	0.0%
Tuition, Excess Costs, and/or Deficit Payments								
Payments to Districts or Charter Schools		7141	0.00	0.00	0.00	0.00	0.00	0.0%
Payments to County Offices		7142	70,000.00	70,000.00	0.00	70,000.00	0.00	0.0%
Payments to JPAs		7143	0.00	0.00	0.00	0.00	0.00	0.0%
Transfers of Pass-Through Revenues								
To Districts or Charter Schools		7211	0.00	0.00	0.00	0.00	0.00	0.0%
To County Offices		7212	0.00	0.00	0.00	0.00	0.00	0.0%
To JPAs		7213	0.00	0.00	0.00	0.00	0.00	0.0%
Special Education SELPA Transfers of Apportionments								
To Districts or Charter Schools	6500	7221						
To County Offices	6500	7222						
To JPAs	6500	7223						
ROC/P Transfers of Apportionments								
To Districts or Charter Schools	6360	7221						
To County Offices	6360	7222						
To JPAs	6360	7223						
Other Transfers of Apportionments	All Other	7221-7223	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Transfers		7281-7283	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Transfers Out to All Others		7299	0.00	0.00	0.00	0.00	0.00	0.0%
Debt Service								
Debt Service - Interest		7438	0.00	0.00	0.00	0.00	0.00	0.0%
Other Debt Service - Principal		7439	0.00	0.00	0.00	0.00	0.00	0.0%
TOTAL, OTHER OUTGO (excluding Transfers of Indirect Costs)			70,000.00	70,000.00	0.00	70,000.00	0.00	0.0%
OTHER OUTGO - TRANSFERS OF INDIRECT COSTS								
Transfers of Indirect Costs		7310	(3,274,499.00)	(3,432,835.43)	(36,490.16)	(3,432,835.43)	0.00	0.0%
Transfers of Indirect Costs - Interfund		7350	(819,239.00)	(819,239.00)	0.00	(819,239.00)	0.00	0.0%
TOTAL, OTHER OUTGO - TRANSFERS OF INDIRECT COSTS			(4,093,738.00)	(4,252,074.43)	(36,490.16)	(4,252,074.43)	0.00	0.0%
TOTAL, EXPENDITURES			281,246,025.00	286,724,639.66	75,149,957.09	288,881,497.82	(2,156,858.16)	-0.8%

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff (E/B) (F)
INTERFUND TRANSFERS								
INTERFUND TRANSFERS IN								
From: Special Reserve Fund		8912	0.00	0.00	0.00	0.00	0.00	0.0%
From: Bond Interest and Redemption Fund		8914	0.00	0.00	0.00	0.00	0.00	0.0%
Other Authorized Interfund Transfers In		8919	0.00	0.00	6,000.00	0.00	0.00	0.0%
(a) TOTAL, INTERFUND TRANSFERS IN			0.00	0.00	6,000.00	0.00	0.00	0.0%
INTERFUND TRANSFERS OUT								
To: Child Development Fund		7611	136,000.00	0.00	0.00	0.00	0.00	0.0%
To: Special Reserve Fund		7612	0.00	0.00	0.00	0.00	0.00	0.0%
To: State School Building Fund/ County School Facilities Fund		7613	0.00	0.00	0.00	0.00	0.00	0.0%
To: Cafeteria Fund		7616	0.00	0.00	0.00	0.00	0.00	0.0%
Other Authorized Interfund Transfers Out		7619	3,339,618.00	3,339,618.00	1,591,000.00	3,339,618.00	0.00	0.0%
(b) TOTAL, INTERFUND TRANSFERS OUT			3,475,618.00	3,339,618.00	1,591,000.00	3,339,618.00	0.00	0.0%
OTHER SOURCES/USES								
SOURCES								
State Apportionments Emergency Apportionments		8931	0.00	0.00	0.00	0.00	0.00	0.0%
Proceeds Proceeds from Sale/Lease- Purchase of Land/Buildings		8953	0.00	0.00	0.00	0.00	0.00	0.0%
Other Sources Transfers from Funds of Lapsed/Reorganized LEAs		8965	0.00	0.00	0.00	0.00	0.00	0.0%
Long-Term Debt Proceeds Proceeds from Certificates of Participation		8971	0.00	0.00	0.00	0.00	0.00	0.0%
Proceeds from Capital Leases		8972	0.00	0.00	0.00	0.00	0.00	0.0%
Proceeds from Lease Revenue Bonds		8973	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Financing Sources		8979	0.00	0.00	0.00	0.00	0.00	0.0%
(c) TOTAL, SOURCES			0.00	0.00	0.00	0.00	0.00	0.0%
USES								
Transfers of Funds from Lapsed/Reorganized LEAs		7651	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Financing Uses		7699	0.00	0.00	0.00	0.00	0.00	0.0%
(d) TOTAL, USES			0.00	0.00	0.00	0.00	0.00	0.0%
CONTRIBUTIONS								
Contributions from Unrestricted Revenues		8980	(40,173,702.00)	(40,173,702.00)	0.00	(40,173,702.00)	0.00	0.0%
Contributions from Restricted Revenues		8990	0.00	0.00	0.00	0.00	0.00	0.0%
(e) TOTAL, CONTRIBUTIONS			(40,173,702.00)	(40,173,702.00)	0.00	(40,173,702.00)	0.00	0.0%
TOTAL, OTHER FINANCING SOURCES/USES (a - b + c - d + e)			(43,649,320.00)	(43,513,320.00)	(1,585,000.00)	(43,513,320.00)	0.00	0.0%

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff (E/B) (F)
A. REVENUES								
1) LCFF Sources		8010-8099	0.00	0.00	0.00	0.00	0.00	0.0%
2) Federal Revenue		8100-8299	21,529,950.00	28,115,856.48	4,168,208.11	28,115,856.48	0.00	0.0%
3) Other State Revenue		8300-8599	30,705,928.00	31,036,250.57	9,937,577.12	31,036,250.57	0.00	0.0%
4) Other Local Revenue		8600-8799	2,288,731.00	2,414,604.32	78,690.44	2,414,604.32	0.00	0.0%
5) TOTAL, REVENUES			54,524,609.00	61,566,711.37	14,184,475.67	61,566,711.37		
B. EXPENDITURES								
1) Certificated Salaries		1000-1999	40,417,426.00	40,364,171.52	10,473,029.60	40,364,171.52	0.00	0.0%
2) Classified Salaries		2000-2999	17,847,753.00	17,960,096.00	4,424,186.40	17,960,096.00	0.00	0.0%
3) Employee Benefits		3000-3999	17,123,178.00	17,086,000.48	5,150,702.13	17,086,000.48	0.00	0.0%
4) Books and Supplies		4000-4999	6,852,537.00	14,975,407.98	1,500,978.71	14,975,407.98	0.00	0.0%
5) Services and Other Operating Expenditures		5000-5999	11,902,841.00	21,002,969.82	1,972,415.23	21,002,969.82	0.00	0.0%
6) Capital Outlay		6000-6999	1,969,561.00	2,004,531.77	79,900.12	2,004,531.77	0.00	0.0%
7) Other Outgo (excluding Transfers of Indirect Costs)		7100-7299 7400-7499	0.00	0.00	0.00	0.00	0.00	0.0%
8) Other Outgo - Transfers of Indirect Costs		7300-7399	3,274,499.00	3,432,835.43	36,490.16	3,432,835.43	0.00	0.0%
9) TOTAL, EXPENDITURES			99,387,795.00	116,826,013.00	23,637,702.35	116,826,013.00		
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9)			(44,863,186.00)	(55,259,301.63)	(9,453,226.68)	(55,259,301.63)		
D. OTHER FINANCING SOURCES/USES								
1) Interfund Transfers								
a) Transfers In		8900-8929	0.00	0.00	0.00	0.00	0.00	0.0%
b) Transfers Out		7600-7629	0.00	0.00	0.00	0.00	0.00	0.0%
2) Other Sources/Uses								
a) Sources		8930-8979	0.00	0.00	0.00	0.00	0.00	0.0%
b) Uses		7630-7699	0.00	0.00	0.00	0.00	0.00	0.0%
3) Contributions		8980-8999	40,173,702.00	40,173,702.00	0.00	40,173,702.00	0.00	0.0%
4) TOTAL, OTHER FINANCING SOURCES/USES			40,173,702.00	40,173,702.00	0.00	40,173,702.00		

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff (E/B) (F)
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)			(4,689,484.00)	(15,085,599.63)	(9,453,226.68)	(15,085,599.63)		
F. FUND BALANCE, RESERVES								
1) Beginning Fund Balance								
a) As of July 1 - Unaudited		9791	21,922,700.00	23,176,535.10		23,176,535.10	0.00	0.0%
b) Audit Adjustments		9793	0.00	0.00		0.00	0.00	0.0%
c) As of July 1 - Audited (F1a + F1b)			21,922,700.00	23,176,535.10		23,176,535.10		
d) Other Restatements		9795	0.00	0.00		0.00	0.00	0.0%
e) Adjusted Beginning Balance (F1c + F1d)			21,922,700.00	23,176,535.10		23,176,535.10		
2) Ending Balance, June 30 (E + F1e)			17,233,216.00	8,090,935.47		8,090,935.47		
Components of Ending Fund Balance								
a) Nonspendable								
Revolving Cash		9711	0.00	0.00		0.00		
Stores		9712	0.00	0.00		0.00		
Prepaid Expenditures		9713	0.00	0.00		0.00		
All Others		9719	0.00	0.00		0.00		
b) Restricted			17,233,216.00	8,090,935.47		8,090,935.47		
c) Committed								
Stabilization Arrangements		9750	0.00	0.00		0.00		
Other Commitments		9760	0.00	0.00		0.00		
d) Assigned								
Other Assignments		9780	0.00	0.00		0.00		
e) Unassigned/Unappropriated								
Reserve for Economic Uncertainties		9789	0.00	0.00		0.00		
Unassigned/Unappropriated Amount		9790	0.00	0.00		0.00		

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff (E/B) (F)
LCFF SOURCES								
Principal Apportionment State Aid - Current Year		8011	0.00	0.00	0.00	0.00		
Education Protection Account State Aid - Current Year		8012	0.00	0.00	0.00	0.00		
State Aid - Prior Years		8019	0.00	0.00	0.00	0.00		
Tax Relief Subventions Homeowners' Exemptions		8021	0.00	0.00	0.00	0.00		
Timber Yield Tax		8022	0.00	0.00	0.00	0.00		
Other Subventions/In-Lieu Taxes		8029	0.00	0.00	0.00	0.00		
County & District Taxes Secured Roll Taxes		8041	0.00	0.00	0.00	0.00		
Unsecured Roll Taxes		8042	0.00	0.00	0.00	0.00		
Prior Years' Taxes		8043	0.00	0.00	0.00	0.00		
Supplemental Taxes		8044	0.00	0.00	0.00	0.00		
Education Revenue Augmentation Fund (ERAF)		8045	0.00	0.00	0.00	0.00		
Community Redevelopment Funds (SB 617/699/1992)		8047	0.00	0.00	0.00	0.00		
Penalties and Interest from Delinquent Taxes		8048	0.00	0.00	0.00	0.00		
Miscellaneous Funds (EC 41604) Royalties and Bonuses		8081	0.00	0.00	0.00	0.00		
Other In-Lieu Taxes		8082	0.00	0.00	0.00	0.00		
Less: Non-LCFF (50%) Adjustment		8089	0.00	0.00	0.00	0.00		
Subtotal, LCFF Sources			0.00	0.00	0.00	0.00		
LCFF Transfers								
Unrestricted LCFF Transfers - Current Year	0000	8091						
All Other LCFF Transfers - Current Year	All Other	8091	0.00	0.00	0.00	0.00	0.00	0.0%
Transfers to Charter Schools in Lieu of Property Taxes		8096	0.00	0.00	0.00	0.00		
Property Taxes Transfers		8097	0.00	0.00	0.00	0.00	0.00	0.0%
LCFF/Revenue Limit Transfers - Prior Years		8099	0.00	0.00	0.00	0.00	0.00	0.0%
TOTAL, LCFF SOURCES			0.00	0.00	0.00	0.00	0.00	0.0%
FEDERAL REVENUE								
Maintenance and Operations		8110	0.00	0.00	0.00	0.00	0.00	0.0%
Special Education Entitlement		8181	6,468,939.00	6,468,939.00	0.00	6,468,939.00	0.00	0.0%
Special Education Discretionary Grants		8182	1,036,357.00	1,645,334.10	117,263.00	1,645,334.10	0.00	0.0%
Child Nutrition Programs		8220	0.00	0.00	0.00	0.00	0.00	0.0%
Forest Reserve Funds		8260	0.00	0.00	0.00	0.00		
Flood Control Funds		8270	0.00	0.00	0.00	0.00		
Wildlife Reserve Funds		8280	0.00	0.00	0.00	0.00		
FEMA		8281	0.00	0.00	0.00	0.00	0.00	0.0%
Interagency Contracts Between LEAs		8285	1,118,826.00	1,251,193.87	56,448.89	1,251,193.87	0.00	0.0%
Pass-Through Revenues from Federal Sources		8287	0.00	0.00	0.00	0.00	0.00	0.0%
NCLB: Title I, Part A, Basic Grants Low-Income and Neglected	3010	8290	8,743,506.00	12,287,148.59	2,263,242.59	12,287,148.59	0.00	0.0%
NCLB: Title I, Part D, Local Delinquent Program	3025	8290	0.00	0.00	0.00	0.00	0.00	0.0%
NCLB: Title II, Part A, Teacher Quality	4035	8290	1,439,627.00	2,821,255.44	417,358.44	2,821,255.44	0.00	0.0%

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff (E/B) (F)
NCLB: Title III, Immigration Education Program	4201	8290	0.00	0.00	0.00	0.00	0.00	0.0%
NCLB: Title III, Limited English Proficient (LEP) Student Program	4203	8290	611,713.00	887,455.72	226,093.72	887,455.72	0.00	0.0%
NCLB: Title V, Part B, Public Charter Schools Grant Program (PCSGP)	4610	8290	0.00	0.00	0.00	0.00	0.00	0.0%
Other No Child Left Behind	3011-3020, 3026-3205, 4036-4126, 5510	8290	1,216,954.00	1,848,642.76	576,688.76	1,848,642.76	0.00	0.0%
Vocational and Applied Technology Education	3500-3699	8290	0.00	0.00	0.00	0.00	0.00	0.0%
Safe and Drug Free Schools	3700-3799	8290	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Federal Revenue	All Other	8290	894,028.00	905,887.00	511,112.71	905,887.00	0.00	0.0%
TOTAL, FEDERAL REVENUE			21,529,950.00	28,115,856.48	4,168,208.11	28,115,856.48	0.00	0.0%
OTHER STATE REVENUE								
Other State Apportionments								
ROC/P Entitlement Current Year	6355-6360	8311	0.00	0.00	0.00	0.00	0.00	0.0%
Prior Years	6355-6360	8319	0.00	0.00	0.00	0.00	0.00	0.0%
Special Education Master Plan Current Year	6500	8311	22,443,928.00	22,443,928.00	5,983,164.00	22,443,928.00	0.00	0.0%
Prior Years	6500	8319	0.00	0.00	0.00	0.00	0.00	0.0%
All Other State Apportionments - Current Year	All Other	8311	0.00	0.00	0.00	0.00	0.00	0.0%
All Other State Apportionments - Prior Years	All Other	8319	0.00	0.00	0.00	0.00	0.00	0.0%
Child Nutrition Programs		8520	0.00	0.00	0.00	0.00	0.00	0.0%
Mandated Costs Reimbursements		8550	0.00	0.00	0.00	0.00	0.00	0.0%
Lottery - Unrestricted and Instructional Materials		8560	1,331,442.00	1,565,449.82	234,007.82	1,565,449.82	0.00	0.0%
Tax Relief Subventions								
Restricted Levies - Other								
Homeowners' Exemptions		8575	0.00	0.00	0.00	0.00	0.00	0.0%
Other Subventions/In-Lieu Taxes		8576	0.00	0.00	0.00	0.00	0.00	0.0%
Pass-Through Revenues from State Sources		8587	0.00	0.00	0.00	0.00	0.00	0.0%
School Based Coordination Program	7250	8590	0.00	0.00	0.00	0.00	0.00	0.0%
After School Education and Safety (ASES)	6010	8590	3,833,328.00	3,833,328.00	2,491,663.20	3,833,328.00	0.00	0.0%
Charter School Facility Grant	6030	8590	0.00	0.00	0.00	0.00	0.00	0.0%
Drug/Alcohol/Tobacco Funds	6650, 6690	8590	0.00	0.00	0.00	0.00	0.00	0.0%
California Clean Energy Jobs Act	6230	8590	0.00	0.00	0.00	0.00	0.00	0.0%
Healthy Start	6240	8590	0.00	0.00	0.00	0.00	0.00	0.0%
Specialized Secondary	7370	8590	0.00	0.00	0.00	0.00	0.00	0.0%
American Indian Early Childhood Education	7210	8590	0.00	0.00	0.00	0.00	0.00	0.0%
School Community Violence Prevention Grant	7391	8590	0.00	0.00	0.00	0.00	0.00	0.0%
Quality Education Investment Act	7400	8590	0.00	0.00	0.00	0.00	0.00	0.0%
Common Core State Standards Implementation	7405	8590	0.00	0.00	0.00	0.00	0.00	0.0%
All Other State Revenue	All Other	8590	3,097,230.00	3,193,544.75	1,228,742.10	3,193,544.75	0.00	0.0%
TOTAL, OTHER STATE REVENUE			30,705,928.00	31,036,250.57	9,937,577.12	31,036,250.57	0.00	0.0%

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff (E/B) (F)
OTHER LOCAL REVENUE								
Other Local Revenue								
County and District Taxes								
Other Restricted Levies								
Secured Roll		8615	0.00	0.00	0.00	0.00	0.00	0.0%
Unsecured Roll		8616	0.00	0.00	0.00	0.00	0.00	0.0%
Prior Years' Taxes		8617	0.00	0.00	0.00	0.00	0.00	0.0%
Supplemental Taxes		8618	0.00	0.00	0.00	0.00	0.00	0.0%
Non-Ad Valorem Taxes								
Parcel Taxes		8621	0.00	0.00	0.00	0.00	0.00	0.0%
Other		8622	0.00	0.00	0.00	0.00	0.00	0.0%
Community Redevelopment Funds								
Not Subject to LCFF Deduction		8625	2,246,502.00	2,246,502.00	0.00	2,246,502.00	0.00	0.0%
Penalties and Interest from Delinquent Non-LCFF Taxes		8629	0.00	0.00	0.00	0.00	0.00	0.0%
Sales								
Sale of Equipment/Supplies		8631	0.00	0.00	0.00	0.00	0.00	0.0%
Sale of Publications		8632	0.00	0.00	0.00	0.00	0.00	0.0%
Food Service Sales		8634	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Sales		8639	0.00	0.00	0.00	0.00	0.00	0.0%
Leases and Rentals		8650	0.00	0.00	0.00	0.00	0.00	0.0%
Interest		8660	0.00	0.00	0.00	0.00	0.00	0.0%
Net Increase (Decrease) in the Fair Value of Investments		8662	0.00	0.00	0.00	0.00	0.00	0.0%
Fees and Contracts								
Adult Education Fees		8671	0.00	0.00	0.00	0.00		
Non-Resident Students		8672	0.00	0.00	0.00	0.00		
Transportation Fees From Individuals		8675	0.00	0.00	0.00	0.00	0.00	0.0%
Interagency Services		8677	0.00	0.00	0.00	0.00	0.00	0.0%
Mitigation/Developer Fees		8681	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Fees and Contracts		8689	0.00	0.00	0.00	0.00	0.00	0.0%
Other Local Revenue								
Plus: Misc Funds Non-LCFF (50%) Adjustm		8691	0.00	0.00	0.00	0.00		
Pass-Through Revenues From Local Sources		8697	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Local Revenue		8699	42,229.00	168,102.32	78,690.44	168,102.32	0.00	0.0%
Tuition		8710	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Transfers In		8781-8783	0.00	0.00	0.00	0.00	0.00	0.0%
Transfers Of Apportionments								
Special Education SELPA Transfers								
From Districts or Charter Schools	6500	8791	0.00	0.00	0.00	0.00	0.00	0.0%
From County Offices	6500	8792	0.00	0.00	0.00	0.00	0.00	0.0%
From JPAs	6500	8793	0.00	0.00	0.00	0.00	0.00	0.0%
ROC/P Transfers								
From Districts or Charter Schools	6360	8791	0.00	0.00	0.00	0.00	0.00	0.0%
From County Offices	6360	8792	0.00	0.00	0.00	0.00	0.00	0.0%
From JPAs	6360	8793	0.00	0.00	0.00	0.00	0.00	0.0%
Other Transfers of Apportionments								
From Districts or Charter Schools	All Other	8791	0.00	0.00	0.00	0.00	0.00	0.0%
From County Offices	All Other	8792	0.00	0.00	0.00	0.00	0.00	0.0%
From JPAs	All Other	8793	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Transfers In from All Others		8799	0.00	0.00	0.00	0.00	0.00	0.0%
TOTAL, OTHER LOCAL REVENUE			2,288,731.00	2,414,604.32	78,690.44	2,414,604.32	0.00	0.0%
TOTAL, REVENUES			54,524,609.00	61,566,711.37	14,184,475.67	61,566,711.37	0.00	0.0%

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff (E/B) (F)
CERTIFICATED SALARIES								
Certificated Teachers' Salaries		1100	30,468,508.00	30,590,060.52	7,758,531.95	30,590,060.52	0.00	0.0%
Certificated Pupil Support Salaries		1200	2,536,459.00	2,538,211.00	596,864.30	2,538,211.00	0.00	0.0%
Certificated Supervisors' and Administrators' Salaries		1300	3,058,740.00	3,055,464.00	935,756.15	3,055,464.00	0.00	0.0%
Other Certificated Salaries		1900	4,353,719.00	4,180,436.00	1,181,877.20	4,180,436.00	0.00	0.0%
TOTAL, CERTIFICATED SALARIES			40,417,426.00	40,364,171.52	10,473,029.60	40,364,171.52	0.00	0.0%
CLASSIFIED SALARIES								
Classified Instructional Salaries		2100	10,239,128.00	10,325,998.00	2,250,434.18	10,325,998.00	0.00	0.0%
Classified Support Salaries		2200	4,074,623.00	4,075,236.00	1,234,281.46	4,075,236.00	0.00	0.0%
Classified Supervisors' and Administrators' Salaries		2300	1,061,714.00	1,061,786.00	281,949.73	1,061,786.00	0.00	0.0%
Clerical, Technical and Office Salaries		2400	1,287,168.00	1,303,644.00	398,999.96	1,303,644.00	0.00	0.0%
Other Classified Salaries		2900	1,185,120.00	1,193,432.00	258,521.07	1,193,432.00	0.00	0.0%
TOTAL, CLASSIFIED SALARIES			17,847,753.00	17,960,096.00	4,424,186.40	17,960,096.00	0.00	0.0%
EMPLOYEE BENEFITS								
STRS		3101-3102	3,812,524.00	3,801,227.39	920,701.08	3,801,227.39	0.00	0.0%
PERS		3201-3202	2,113,584.00	2,121,380.00	498,021.45	2,121,380.00	0.00	0.0%
OASDI/Medicare/Alternative		3301-3302	1,966,459.00	1,973,144.78	474,675.43	1,973,144.78	0.00	0.0%
Health and Welfare Benefits		3401-3402	7,632,964.00	7,588,380.00	2,825,000.77	7,588,380.00	0.00	0.0%
Unemployment Insurance		3501-3502	29,194.00	29,274.58	7,460.12	29,274.58	0.00	0.0%
Workers' Compensation		3601-3602	934,053.00	934,592.52	238,347.62	934,592.52	0.00	0.0%
OPEB, Allocated		3701-3702	262,716.00	262,721.21	67,180.15	262,721.21	0.00	0.0%
OPEB, Active Employees		3751-3752	257,904.00	257,413.00	89,913.09	257,413.00	0.00	0.0%
Other Employee Benefits		3901-3902	113,780.00	117,867.00	29,402.42	117,867.00	0.00	0.0%
TOTAL, EMPLOYEE BENEFITS			17,123,178.00	17,086,000.48	5,150,702.13	17,086,000.48	0.00	0.0%
BOOKS AND SUPPLIES								
Approved Textbooks and Core Curricula Materials		4100	1,168,942.00	2,105,859.34	394,770.20	2,105,859.34	0.00	0.0%
Books and Other Reference Materials		4200	16,296.00	156,491.81	68,016.61	156,491.81	0.00	0.0%
Materials and Supplies		4300	5,379,949.00	11,807,181.47	732,810.63	11,807,181.47	0.00	0.0%
Noncapitalized Equipment		4400	287,350.00	905,875.36	305,381.27	905,875.36	0.00	0.0%
Food		4700	0.00	0.00	0.00	0.00	0.00	0.0%
TOTAL, BOOKS AND SUPPLIES			6,852,537.00	14,975,407.98	1,500,978.71	14,975,407.98	0.00	0.0%
SERVICES AND OTHER OPERATING EXPENDITURES								
Subagreements for Services		5100	5,025,000.00	4,972,677.00	484,809.47	4,972,677.00	0.00	0.0%
Travel and Conferences		5200	107,871.00	421,422.02	122,592.23	421,422.02	0.00	0.0%
Dues and Memberships		5300	4,150.00	42,285.00	6,693.88	42,285.00	0.00	0.0%
Insurance		5400-5450	0.00	0.00	0.00	0.00	0.00	0.0%
Operations and Housekeeping Services		5500	29,000.00	29,000.00	6,082.04	29,000.00	0.00	0.0%
Rentals, Leases, Repairs, and Noncapitalized Improvements		5600	408,000.00	866,367.48	131,524.23	866,367.48	0.00	0.0%
Transfers of Direct Costs		5710	858,059.00	899,608.35	38,390.38	899,608.35	0.00	0.0%
Transfers of Direct Costs - Interfund		5750	(50,035.00)	(46,933.00)	(17,643.63)	(46,933.00)	0.00	0.0%
Professional/Consulting Services and Operating Expenditures		5800	5,481,856.00	13,779,598.97	1,186,839.07	13,779,598.97	0.00	0.0%
Communications		5900	38,940.00	38,944.00	13,127.56	38,944.00	0.00	0.0%
TOTAL, SERVICES AND OTHER OPERATING EXPENDITURES			11,902,841.00	21,002,969.82	1,972,415.23	21,002,969.82	0.00	0.0%

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff (E/B) (F)
CAPITAL OUTLAY								
Land		6100	0.00	0.00	0.00	0.00	0.00	0.0%
Land Improvements		6170	0.00	28,690.00	28,690.00	28,690.00	0.00	0.0%
Buildings and Improvements of Buildings		6200	1,918,911.00	1,823,752.77	12,252.77	1,823,752.77	0.00	0.0%
Books and Media for New School Libraries or Major Expansion of School Libraries		6300	0.00	0.00	0.00	0.00	0.00	0.0%
Equipment		6400	40,650.00	142,089.00	38,957.35	142,089.00	0.00	0.0%
Equipment Replacement		6500	10,000.00	10,000.00	0.00	10,000.00	0.00	0.0%
TOTAL, CAPITAL OUTLAY			1,969,561.00	2,004,531.77	79,900.12	2,004,531.77	0.00	0.0%
OTHER OUTGO (excluding Transfers of Indirect Costs)								
Tuition								
Tuition for Instruction Under Interdistrict Attendance Agreements		7110	0.00	0.00	0.00	0.00	0.00	0.0%
State Special Schools		7130	0.00	0.00	0.00	0.00	0.00	0.0%
Tuition, Excess Costs, and/or Deficit Payments								
Payments to Districts or Charter Schools		7141	0.00	0.00	0.00	0.00	0.00	0.0%
Payments to County Offices		7142	0.00	0.00	0.00	0.00	0.00	0.0%
Payments to JPAs		7143	0.00	0.00	0.00	0.00	0.00	0.0%
Transfers of Pass-Through Revenues								
To Districts or Charter Schools		7211	0.00	0.00	0.00	0.00	0.00	0.0%
To County Offices		7212	0.00	0.00	0.00	0.00	0.00	0.0%
To JPAs		7213	0.00	0.00	0.00	0.00	0.00	0.0%
Special Education SELPA Transfers of Apportionments								
To Districts or Charter Schools	6500	7221	0.00	0.00	0.00	0.00	0.00	0.0%
To County Offices	6500	7222	0.00	0.00	0.00	0.00	0.00	0.0%
To JPAs	6500	7223	0.00	0.00	0.00	0.00	0.00	0.0%
ROC/P Transfers of Apportionments								
To Districts or Charter Schools	6360	7221	0.00	0.00	0.00	0.00	0.00	0.0%
To County Offices	6360	7222	0.00	0.00	0.00	0.00	0.00	0.0%
To JPAs	6360	7223	0.00	0.00	0.00	0.00	0.00	0.0%
Other Transfers of Apportionments	All Other	7221-7223	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Transfers		7281-7283	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Transfers Out to All Others		7299	0.00	0.00	0.00	0.00	0.00	0.0%
Debt Service								
Debt Service - Interest		7438	0.00	0.00	0.00	0.00	0.00	0.0%
Other Debt Service - Principal		7439	0.00	0.00	0.00	0.00	0.00	0.0%
TOTAL, OTHER OUTGO (excluding Transfers of Indirect Costs)			0.00	0.00	0.00	0.00	0.00	0.0%
OTHER OUTGO - TRANSFERS OF INDIRECT COSTS								
Transfers of Indirect Costs		7310	3,274,499.00	3,432,835.43	36,490.16	3,432,835.43	0.00	0.0%
Transfers of Indirect Costs - Interfund		7350	0.00	0.00	0.00	0.00	0.00	0.0%
TOTAL, OTHER OUTGO - TRANSFERS OF INDIRECT COSTS			3,274,499.00	3,432,835.43	36,490.16	3,432,835.43	0.00	0.0%
TOTAL, EXPENDITURES			99,387,795.00	116,826,013.00	23,637,702.35	116,826,013.00	0.00	0.0%

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff (E/B) (F)
INTERFUND TRANSFERS								
INTERFUND TRANSFERS IN								
From: Special Reserve Fund		8912	0.00	0.00	0.00	0.00	0.00	0.0%
From: Bond Interest and Redemption Fund		8914	0.00	0.00	0.00	0.00	0.00	0.0%
Other Authorized Interfund Transfers In		8919	0.00	0.00	0.00	0.00	0.00	0.0%
(a) TOTAL, INTERFUND TRANSFERS IN			0.00	0.00	0.00	0.00	0.00	0.0%
INTERFUND TRANSFERS OUT								
To: Child Development Fund		7611	0.00	0.00	0.00	0.00	0.00	0.0%
To: Special Reserve Fund		7612	0.00	0.00	0.00	0.00	0.00	0.0%
To: State School Building Fund/ County School Facilities Fund		7613	0.00	0.00	0.00	0.00	0.00	0.0%
To: Cafeteria Fund		7616	0.00	0.00	0.00	0.00	0.00	0.0%
Other Authorized Interfund Transfers Out		7619	0.00	0.00	0.00	0.00	0.00	0.0%
(b) TOTAL, INTERFUND TRANSFERS OUT			0.00	0.00	0.00	0.00	0.00	0.0%
OTHER SOURCES/USES								
SOURCES								
State Apportionments Emergency Apportionments		8931	0.00	0.00	0.00	0.00	0.00	0.0%
Proceeds Proceeds from Sale/Lease- Purchase of Land/Buildings		8953	0.00	0.00	0.00	0.00	0.00	0.0%
Other Sources Transfers from Funds of Lapsed/Reorganized LEAs		8965	0.00	0.00	0.00	0.00	0.00	0.0%
Long-Term Debt Proceeds Proceeds from Certificates of Participation		8971	0.00	0.00	0.00	0.00	0.00	0.0%
Proceeds from Capital Leases		8972	0.00	0.00	0.00	0.00	0.00	0.0%
Proceeds from Lease Revenue Bonds		8973	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Financing Sources		8979	0.00	0.00	0.00	0.00	0.00	0.0%
(c) TOTAL, SOURCES			0.00	0.00	0.00	0.00	0.00	0.0%
USES								
Transfers of Funds from Lapsed/Reorganized LEAs		7651	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Financing Uses		7699	0.00	0.00	0.00	0.00	0.00	0.0%
(d) TOTAL, USES			0.00	0.00	0.00	0.00	0.00	0.0%
CONTRIBUTIONS								
Contributions from Unrestricted Revenues		8980	40,173,702.00	40,173,702.00	0.00	40,173,702.00	0.00	0.0%
Contributions from Restricted Revenues		8990	0.00	0.00	0.00	0.00	0.00	0.0%
(e) TOTAL, CONTRIBUTIONS			40,173,702.00	40,173,702.00	0.00	40,173,702.00	0.00	0.0%
TOTAL, OTHER FINANCING SOURCES/USES (a - b + c - d + e)			40,173,702.00	40,173,702.00	0.00	40,173,702.00	0.00	0.0%

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff (E/B) (F)
A. REVENUES								
1) LCFF Sources		8010-8099	307,443,252.00	302,926,514.00	75,557,353.43	301,198,550.00	(1,727,964.00)	-0.6%
2) Federal Revenue		8100-8299	21,835,950.00	28,421,856.48	4,212,492.11	28,421,856.48	0.00	0.0%
3) Other State Revenue		8300-8599	37,789,987.00	38,780,914.60	10,385,932.15	41,482,467.60	2,701,553.00	7.0%
4) Other Local Revenue		8600-8799	5,431,022.00	5,556,895.32	691,695.62	5,556,895.32	0.00	0.0%
5) TOTAL, REVENUES			372,500,211.00	375,686,180.40	90,847,473.31	376,659,769.40		
B. EXPENDITURES								
1) Certificated Salaries		1000-1999	190,065,253.00	190,009,321.74	45,630,726.83	190,418,565.74	(409,244.00)	-0.2%
2) Classified Salaries		2000-2999	52,973,523.00	53,237,665.53	14,200,185.02	53,247,586.53	(9,921.00)	0.0%
3) Employee Benefits		3000-3999	67,528,512.00	67,620,316.58	20,184,780.16	68,644,179.58	(1,023,863.00)	-1.5%
4) Books and Supplies		4000-4999	20,422,471.00	31,771,995.57	6,740,426.49	32,037,779.57	(265,784.00)	-0.8%
5) Services and Other Operating Expenditures		5000-5999	41,312,181.00	51,660,925.62	8,993,944.64	51,660,925.62	0.00	0.0%
6) Capital Outlay		6000-6999	9,081,119.00	9,999,666.62	3,037,596.30	10,447,712.78	(448,046.16)	-4.5%
7) Other Outgo (excluding Transfers of Indirect Costs)		7100-7299 7400-7499	70,000.00	70,000.00	0.00	70,000.00	0.00	0.0%
8) Other Outgo - Transfers of Indirect Costs		7300-7399	(819,239.00)	(819,239.00)	0.00	(819,239.00)	0.00	0.0%
9) TOTAL, EXPENDITURES			380,633,820.00	403,550,652.66	98,787,659.44	405,707,510.82		
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9)			(8,133,609.00)	(27,864,472.26)	(7,940,186.13)	(29,047,741.42)		
D. OTHER FINANCING SOURCES/USES								
1) Interfund Transfers								
a) Transfers In		8900-8929	0.00	0.00	6,000.00	0.00	0.00	0.0%
b) Transfers Out		7600-7629	3,475,618.00	3,339,618.00	1,591,000.00	3,339,618.00	0.00	0.0%
2) Other Sources/Uses								
a) Sources		8930-8979	0.00	0.00	0.00	0.00	0.00	0.0%
b) Uses		7630-7699	0.00	0.00	0.00	0.00	0.00	0.0%
3) Contributions		8980-8999	0.00	0.00	0.00	0.00	0.00	0.0%
4) TOTAL, OTHER FINANCING SOURCES/USES			(3,475,618.00)	(3,339,618.00)	(1,585,000.00)	(3,339,618.00)		

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff (E/B) (F)
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)			(11,609,227.00)	(31,204,090.26)	(9,525,186.13)	(32,387,359.42)		
F. FUND BALANCE, RESERVES								
1) Beginning Fund Balance								
a) As of July 1 - Unaudited		9791	86,564,364.00	81,946,464.27		81,946,464.27	0.00	0.0%
b) Audit Adjustments		9793	0.00	0.00		3,392,130.00	3,392,130.00	New
c) As of July 1 - Audited (F1a + F1b)			86,564,364.00	81,946,464.27		85,338,594.27		
d) Other Restatements		9795	0.00	0.00		0.00	0.00	0.0%
e) Adjusted Beginning Balance (F1c + F1d)			86,564,364.00	81,946,464.27		85,338,594.27		
2) Ending Balance, June 30 (E + F1e)			74,955,137.00	50,742,374.01		52,951,234.85		
Components of Ending Fund Balance								
a) Nonspendable								
Revolving Cash		9711	150,000.00	150,000.00		150,000.00		
Stores		9712	500,000.00	500,000.00		500,000.00		
Prepaid Expenditures		9713	0.00	0.00		0.00		
All Others		9719	0.00	0.00		0.00		
b) Restricted		9740	17,233,216.00	8,090,935.47		8,090,935.47		
c) Committed								
Stabilization Arrangements		9750	0.00	0.00		0.00		
Other Commitments		9760	0.00	14,516,243.24		16,544,750.08		
d) Assigned								
Other Assignments		9780	10,021,125.00	2,814,383.17		3,953,800.17		
e) Unassigned/Unappropriated								
Reserve for Economic Uncertainties		9789	7,682,189.00	7,682,189.00		8,180,943.00		
Unassigned/Unappropriated Amount		9790	39,368,607.00	16,988,623.13		15,530,806.13		

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff (E/B) (F)
LCFF SOURCES								
Principal Apportionment State Aid - Current Year		8011	209,856,905.00	198,583,357.00	57,234,252.00	195,994,826.00	(2,588,531.00)	-1.3%
Education Protection Account State Aid - Current Year		8012	39,121,596.00	45,879,351.00	11,710,650.00	46,816,843.00	937,492.00	2.0%
State Aid - Prior Years		8019	0.00	0.00	0.00	0.00	0.00	0.0%
Tax Relief Subventions Homeowners' Exemptions		8021	908,860.00	908,860.00	0.00	908,860.00	0.00	0.0%
Timber Yield Tax		8022	0.00	0.00	0.00	0.00	0.00	0.0%
Other Subventions/In-Lieu Taxes		8029	0.00	0.00	0.00	0.00	0.00	0.0%
County & District Taxes Secured Roll Taxes		8041	57,192,963.00	57,192,963.00	0.00	57,192,963.00	0.00	0.0%
Unsecured Roll Taxes		8042	2,863,508.00	2,863,508.00	2,757,360.63	2,863,508.00	0.00	0.0%
Prior Years' Taxes		8043	3,572,374.00	3,572,374.00	3,659,926.40	3,572,374.00	0.00	0.0%
Supplemental Taxes		8044	768,062.00	768,062.00	270,471.40	768,062.00	0.00	0.0%
Education Revenue Augmentation Fund (ERAF)		8045	(13,703,357.00)	(13,703,357.00)	0.00	(13,703,357.00)	0.00	0.0%
Community Redevelopment Funds (SB 617/699/1992)		8047	7,221,375.00	7,221,375.00	0.00	7,221,375.00	0.00	0.0%
Penalties and Interest from Delinquent Taxes		8048	0.00	0.00	0.00	0.00	0.00	0.0%
Miscellaneous Funds (EC 41604) Royalties and Bonuses		8081	0.00	0.00	0.00	0.00	0.00	0.0%
Other In-Lieu Taxes		8082	0.00	0.00	0.00	0.00	0.00	0.0%
Less: Non-LCFF (50%) Adjustment		8089	0.00	0.00	0.00	0.00	0.00	0.0%
Subtotal, LCFF Sources			307,802,286.00	303,286,493.00	75,632,660.43	301,635,454.00	(1,651,039.00)	-0.5%
LCFF Transfers								
Unrestricted LCFF Transfers - Current Year	0000	8091	0.00	0.00	0.00	0.00	0.00	0.0%
All Other LCFF Transfers - Current Year	All Other	8091	0.00	0.00	0.00	0.00	0.00	0.0%
Transfers to Charter Schools in Lieu of Property Taxes		8096	(359,034.00)	(359,979.00)	(75,307.00)	(436,904.00)	(76,925.00)	21.4%
Property Taxes Transfers		8097	0.00	0.00	0.00	0.00	0.00	0.0%
LCFF/Revenue Limit Transfers - Prior Years		8099	0.00	0.00	0.00	0.00	0.00	0.0%
TOTAL, LCFF SOURCES			307,443,252.00	302,926,514.00	75,557,353.43	301,198,550.00	(1,727,964.00)	-0.6%
FEDERAL REVENUE								
Maintenance and Operations		8110	0.00	0.00	0.00	0.00	0.00	0.0%
Special Education Entitlement		8181	6,468,939.00	6,468,939.00	0.00	6,468,939.00	0.00	0.0%
Special Education Discretionary Grants		8182	1,036,357.00	1,645,334.10	117,263.00	1,645,334.10	0.00	0.0%
Child Nutrition Programs		8220	0.00	0.00	0.00	0.00	0.00	0.0%
Forest Reserve Funds		8260	0.00	0.00	0.00	0.00	0.00	0.0%
Flood Control Funds		8270	0.00	0.00	0.00	0.00	0.00	0.0%
Wildlife Reserve Funds		8280	0.00	0.00	0.00	0.00	0.00	0.0%
FEMA		8281	0.00	0.00	0.00	0.00	0.00	0.0%
Interagency Contracts Between LEAs		8285	1,118,826.00	1,251,193.87	56,448.89	1,251,193.87	0.00	0.0%
Pass-Through Revenues from Federal Sources		8287	0.00	0.00	0.00	0.00	0.00	0.0%
NCLB: Title I, Part A, Basic Grants Low-Income and Neglected	3010	8290	8,743,506.00	12,287,148.59	2,263,242.59	12,287,148.59	0.00	0.0%
NCLB: Title I, Part D, Local Delinquent Program	3025	8290	0.00	0.00	0.00	0.00	0.00	0.0%
NCLB: Title II, Part A, Teacher Quality	4035	8290	1,439,627.00	2,821,255.44	417,358.44	2,821,255.44	0.00	0.0%

2014-15 First Interim
General Fund
Summary - Unrestricted/Restricted
Revenues, Expenditures, and Changes in Fund Balance

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff (E/B) (F)
NCLB: Title III, Immigration Education Program	4201	8290	0.00	0.00	0.00	0.00	0.00	0.0%
NCLB: Title III, Limited English Proficient (LEP) Student Program	4203	8290	611,713.00	887,455.72	226,093.72	887,455.72	0.00	0.0%
NCLB: Title V, Part B, Public Charter Schools Grant Program (PCSGP)	4610	8290	0.00	0.00	0.00	0.00	0.00	0.0%
Other No Child Left Behind	3011-3020, 3026-3205, 4036-4126, 5510	8290	1,216,954.00	1,848,642.76	576,688.76	1,848,642.76	0.00	0.0%
Vocational and Applied Technology Education	3500-3699	8290	0.00	0.00	0.00	0.00	0.00	0.0%
Safe and Drug Free Schools	3700-3799	8290	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Federal Revenue	All Other	8290	1,200,028.00	1,211,887.00	555,396.71	1,211,887.00	0.00	0.0%
TOTAL, FEDERAL REVENUE			21,835,950.00	28,421,856.48	4,212,492.11	28,421,856.48	0.00	0.0%
OTHER STATE REVENUE								
Other State Apportionments								
ROC/P Entitlement Current Year	6355-6360	8311	0.00	0.00	0.00	0.00	0.00	0.0%
Prior Years	6355-6360	8319	0.00	0.00	0.00	0.00	0.00	0.0%
Special Education Master Plan Current Year	6500	8311	22,443,928.00	22,443,928.00	5,983,164.00	22,443,928.00	0.00	0.0%
Prior Years	6500	8319	0.00	0.00	0.00	0.00	0.00	0.0%
All Other State Apportionments - Current Year	All Other	8311	0.00	0.00	0.00	0.00	0.00	0.0%
All Other State Apportionments - Prior Years	All Other	8319	0.00	0.00	0.00	0.00	0.00	0.0%
Child Nutrition Programs		8520	0.00	0.00	0.00	0.00	0.00	0.0%
Mandated Costs Reimbursements		8550	1,492,001.00	1,492,001.00	0.00	4,193,554.00	2,701,553.00	181.1%
Lottery - Unrestricted and Instructional Materials		8560	6,923,500.00	7,568,112.85	644,612.85	7,568,112.85	0.00	0.0%
Tax Relief Subventions								
Restricted Levies - Other								
Homeowners' Exemptions		8575	0.00	0.00	0.00	0.00	0.00	0.0%
Other Subventions/In-Lieu Taxes		8576	0.00	0.00	0.00	0.00	0.00	0.0%
Pass-Through Revenues from State Sources		8587	0.00	0.00	0.00	0.00	0.00	0.0%
School Based Coordination Program	7250	8590	0.00	0.00	0.00	0.00	0.00	0.0%
After School Education and Safety (ASES)	6010	8590	3,833,328.00	3,833,328.00	2,491,663.20	3,833,328.00	0.00	0.0%
Charter School Facility Grant	6030	8590	0.00	0.00	0.00	0.00	0.00	0.0%
Drug/Alcohol/Tobacco Funds	6650, 6690	8590	0.00	0.00	0.00	0.00	0.00	0.0%
California Clean Energy Jobs Act	6230	8590	0.00	0.00	0.00	0.00	0.00	0.0%
Healthy Start	6240	8590	0.00	0.00	0.00	0.00	0.00	0.0%
Specialized Secondary	7370	8590	0.00	0.00	0.00	0.00	0.00	0.0%
American Indian Early Childhood Education	7210	8590	0.00	0.00	0.00	0.00	0.00	0.0%
School Community Violence Prevention Grant	7391	8590	0.00	0.00	0.00	0.00	0.00	0.0%
Quality Education Investment Act	7400	8590	0.00	0.00	0.00	0.00	0.00	0.0%
Common Core State Standards Implementation	7405	8590	0.00	0.00	0.00	0.00	0.00	0.0%
All Other State Revenue	All Other	8590	3,097,230.00	3,443,544.75	1,266,492.10	3,443,544.75	0.00	0.0%
TOTAL, OTHER STATE REVENUE			37,789,987.00	38,780,914.60	10,385,932.15	41,482,467.60	2,701,553.00	7.0%

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff (E/B) (F)
OTHER LOCAL REVENUE								
Other Local Revenue								
County and District Taxes								
Other Restricted Levies								
Secured Roll		8615	0.00	0.00	0.00	0.00	0.00	0.0%
Unsecured Roll		8616	0.00	0.00	0.00	0.00	0.00	0.0%
Prior Years' Taxes		8617	0.00	0.00	0.00	0.00	0.00	0.0%
Supplemental Taxes		8618	0.00	0.00	0.00	0.00	0.00	0.0%
Non-Ad Valorem Taxes								
Parcel Taxes		8621	0.00	0.00	0.00	0.00	0.00	0.0%
Other		8622	0.00	0.00	0.00	0.00	0.00	0.0%
Community Redevelopment Funds								
Not Subject to LCFF Deduction		8625	2,246,502.00	2,246,502.00	0.00	2,246,502.00	0.00	0.0%
Penalties and Interest from Delinquent Non-LCFF Taxes		8629	0.00	0.00	0.00	0.00	0.00	0.0%
Sales								
Sale of Equipment/Supplies		8631	0.00	0.00	0.00	0.00	0.00	0.0%
Sale of Publications		8632	152,000.00	152,000.00	580.15	152,000.00	0.00	0.0%
Food Service Sales		8634	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Sales		8639	0.00	0.00	0.00	0.00	0.00	0.0%
Leases and Rentals		8650	573,640.00	573,640.00	228,410.99	573,640.00	0.00	0.0%
Interest		8660	250,000.00	250,000.00	10,666.25	250,000.00	0.00	0.0%
Net Increase (Decrease) in the Fair Value of Investments		8662	0.00	0.00	0.00	0.00	0.00	0.0%
Fees and Contracts								
Adult Education Fees		8671	80,000.00	80,000.00	39,000.00	80,000.00	0.00	0.0%
Non-Resident Students		8672	0.00	0.00	0.00	0.00	0.00	0.0%
Transportation Fees From Individuals		8675	38,000.00	38,000.00	30,372.00	38,000.00	0.00	0.0%
Interagency Services		8677	0.00	0.00	0.00	0.00	0.00	0.0%
Mitigation/Developer Fees		8681	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Fees and Contracts		8689	0.00	0.00	0.00	0.00	0.00	0.0%
Other Local Revenue								
Plus: Misc Funds Non-LCFF (50%) Adjustment		8691	0.00	0.00	0.00	0.00	0.00	0.0%
Pass-Through Revenues From Local Sources		8697	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Local Revenue		8699	2,090,880.00	2,216,753.32	382,666.23	2,216,753.32	0.00	0.0%
Tuition		8710	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Transfers In		8781-8783	0.00	0.00	0.00	0.00	0.00	0.0%
Transfers Of Apportionments								
Special Education SELPA Transfers								
From Districts or Charter Schools	6500	8791	0.00	0.00	0.00	0.00	0.00	0.0%
From County Offices	6500	8792	0.00	0.00	0.00	0.00	0.00	0.0%
From JPAs	6500	8793	0.00	0.00	0.00	0.00	0.00	0.0%
ROC/P Transfers								
From Districts or Charter Schools	6360	8791	0.00	0.00	0.00	0.00	0.00	0.0%
From County Offices	6360	8792	0.00	0.00	0.00	0.00	0.00	0.0%
From JPAs	6360	8793	0.00	0.00	0.00	0.00	0.00	0.0%
Other Transfers of Apportionments								
From Districts or Charter Schools	All Other	8791	0.00	0.00	0.00	0.00	0.00	0.0%
From County Offices	All Other	8792	0.00	0.00	0.00	0.00	0.00	0.0%
From JPAs	All Other	8793	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Transfers In from All Others		8799	0.00	0.00	0.00	0.00	0.00	0.0%
TOTAL, OTHER LOCAL REVENUE			5,431,022.00	5,556,895.32	691,695.62	5,556,895.32	0.00	0.0%
TOTAL, REVENUES			372,500,211.00	375,686,180.40	90,847,473.31	376,659,769.40	973,589.00	0.3%

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff (E/B) (F)
CERTIFICATED SALARIES								
Certificated Teachers' Salaries		1100	160,009,584.00	160,240,301.09	37,316,234.97	160,649,545.09	(409,244.00)	-0.3%
Certificated Pupil Support Salaries		1200	8,178,354.00	8,196,116.16	1,717,862.90	8,196,116.16	0.00	0.0%
Certificated Supervisors' and Administrators' Salaries		1300	16,514,236.00	16,412,829.00	5,202,307.93	16,412,829.00	0.00	0.0%
Other Certificated Salaries		1900	5,363,079.00	5,160,075.49	1,394,321.03	5,160,075.49	0.00	0.0%
TOTAL, CERTIFICATED SALARIES			190,065,253.00	190,009,321.74	45,630,726.83	190,418,565.74	(409,244.00)	-0.2%
CLASSIFIED SALARIES								
Classified Instructional Salaries		2100	11,564,061.00	11,676,619.20	2,487,043.89	11,676,619.20	0.00	0.0%
Classified Support Salaries		2200	17,802,401.00	17,797,394.00	5,128,377.60	17,807,315.00	(9,921.00)	-0.1%
Classified Supervisors' and Administrators' Salaries		2300	6,001,428.00	6,109,358.00	1,832,413.96	6,109,358.00	0.00	0.0%
Clerical, Technical and Office Salaries		2400	13,790,137.00	13,824,580.37	3,948,796.28	13,824,580.37	0.00	0.0%
Other Classified Salaries		2900	3,815,496.00	3,829,713.96	803,553.29	3,829,713.96	0.00	0.0%
TOTAL, CLASSIFIED SALARIES			52,973,523.00	53,237,665.53	14,200,185.02	53,247,586.53	(9,921.00)	0.0%
EMPLOYEE BENEFITS								
STRS		3101-3102	18,066,105.00	18,083,385.57	4,064,352.49	18,156,950.57	(73,565.00)	-0.4%
PERS		3201-3202	6,204,787.00	6,232,297.00	1,555,936.10	6,234,535.00	(2,238.00)	0.0%
OASDI/Medicare/Alternative		3301-3302	6,735,550.00	6,752,175.70	1,671,634.74	6,752,175.70	0.00	0.0%
Health and Welfare Benefits		3401-3402	30,291,600.00	30,307,352.00	11,255,851.81	31,255,412.00	(948,060.00)	-3.1%
Unemployment Insurance		3501-3502	121,633.00	121,956.74	29,933.94	121,956.74	0.00	0.0%
Workers' Compensation		3601-3602	3,891,892.00	3,900,462.85	956,703.78	3,900,462.85	0.00	0.0%
OPEB, Allocated		3701-3702	1,094,598.00	1,096,782.72	247,911.18	1,096,782.72	0.00	0.0%
OPEB, Active Employees		3751-3752	918,716.00	918,230.00	332,390.28	918,230.00	0.00	0.0%
Other Employee Benefits		3901-3902	203,631.00	207,674.00	70,065.84	207,674.00	0.00	0.0%
TOTAL, EMPLOYEE BENEFITS			67,528,512.00	67,620,316.58	20,184,780.16	68,644,179.58	(1,023,863.00)	-1.5%
BOOKS AND SUPPLIES								
Approved Textbooks and Core Curricula Materials		4100	3,215,342.00	4,119,913.30	2,292,210.00	4,119,913.30	0.00	0.0%
Books and Other Reference Materials		4200	931,689.00	1,160,989.20	102,171.85	1,160,989.20	0.00	0.0%
Materials and Supplies		4300	14,847,421.00	23,825,674.63	3,258,220.59	24,091,458.63	(265,784.00)	-1.1%
Noncapitalized Equipment		4400	1,428,019.00	2,665,418.44	1,087,824.05	2,665,418.44	0.00	0.0%
Food		4700	0.00	0.00	0.00	0.00	0.00	0.0%
TOTAL, BOOKS AND SUPPLIES			20,422,471.00	31,771,995.57	6,740,426.49	32,037,779.57	(265,784.00)	-0.8%
SERVICES AND OTHER OPERATING EXPENDITURES								
Subagreements for Services		5100	16,244,126.00	16,222,255.22	2,510,779.67	16,222,255.22	0.00	0.0%
Travel and Conferences		5200	635,418.00	1,064,404.97	351,069.66	1,064,404.97	0.00	0.0%
Dues and Memberships		5300	115,555.00	179,460.00	87,523.38	179,460.00	0.00	0.0%
Insurance		5400-5450	0.00	0.00	0.00	0.00	0.00	0.0%
Operations and Housekeeping Services		5500	6,678,727.00	6,678,516.00	1,854,163.81	6,678,516.00	0.00	0.0%
Rentals, Leases, Repairs, and Noncapitalized Improvements		5600	1,060,485.00	2,809,178.99	536,853.61	2,809,178.99	0.00	0.0%
Transfers of Direct Costs		5710	0.00	0.00	0.00	0.00	0.00	0.0%
Transfers of Direct Costs - Interfund		5750	(75,003.00)	(64,687.00)	(9,593.34)	(64,687.00)	0.00	0.0%
Professional/Consulting Services and Operating Expenditures		5800	15,505,464.00	23,619,749.44	3,559,792.06	23,619,749.44	0.00	0.0%
Communications		5900	1,147,409.00	1,152,048.00	103,355.79	1,152,048.00	0.00	0.0%
TOTAL, SERVICES AND OTHER OPERATING EXPENDITURES			41,312,181.00	51,660,925.62	8,993,944.64	51,660,925.62	0.00	0.0%

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff (E/B) (F)
CAPITAL OUTLAY								
Land		6100	0.00	0.00	0.00	0.00	0.00	0.0%
Land Improvements		6170	0.00	28,690.00	28,690.00	28,690.00	0.00	0.0%
Buildings and Improvements of Buildings		6200	6,844,219.00	7,572,222.62	2,425,737.15	8,020,268.78	(448,046.16)	-5.9%
Books and Media for New School Libraries or Major Expansion of School Libraries		6300	0.00	0.00	0.00	0.00	0.00	0.0%
Equipment		6400	80,650.00	244,985.00	110,763.95	244,985.00	0.00	0.0%
Equipment Replacement		6500	2,156,250.00	2,153,769.00	472,405.20	2,153,769.00	0.00	0.0%
TOTAL, CAPITAL OUTLAY			9,081,119.00	9,999,666.62	3,037,596.30	10,447,712.78	(448,046.16)	-4.5%
OTHER OUTGO (excluding Transfers of Indirect Costs)								
Tuition								
Tuition for Instruction Under Interdistrict Attendance Agreements		7110	0.00	0.00	0.00	0.00	0.00	0.0%
State Special Schools		7130	0.00	0.00	0.00	0.00	0.00	0.0%
Tuition, Excess Costs, and/or Deficit Payments								
Payments to Districts or Charter Schools		7141	0.00	0.00	0.00	0.00	0.00	0.0%
Payments to County Offices		7142	70,000.00	70,000.00	0.00	70,000.00	0.00	0.0%
Payments to JPAs		7143	0.00	0.00	0.00	0.00	0.00	0.0%
Transfers of Pass-Through Revenues								
To Districts or Charter Schools		7211	0.00	0.00	0.00	0.00	0.00	0.0%
To County Offices		7212	0.00	0.00	0.00	0.00	0.00	0.0%
To JPAs		7213	0.00	0.00	0.00	0.00	0.00	0.0%
Special Education SELPA Transfers of Apportionments								
To Districts or Charter Schools	6500	7221	0.00	0.00	0.00	0.00	0.00	0.0%
To County Offices	6500	7222	0.00	0.00	0.00	0.00	0.00	0.0%
To JPAs	6500	7223	0.00	0.00	0.00	0.00	0.00	0.0%
ROC/P Transfers of Apportionments								
To Districts or Charter Schools	6360	7221	0.00	0.00	0.00	0.00	0.00	0.0%
To County Offices	6360	7222	0.00	0.00	0.00	0.00	0.00	0.0%
To JPAs	6360	7223	0.00	0.00	0.00	0.00	0.00	0.0%
Other Transfers of Apportionments	All Other	7221-7223	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Transfers		7281-7283	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Transfers Out to All Others		7299	0.00	0.00	0.00	0.00	0.00	0.0%
Debt Service								
Debt Service - Interest		7438	0.00	0.00	0.00	0.00	0.00	0.0%
Other Debt Service - Principal		7439	0.00	0.00	0.00	0.00	0.00	0.0%
TOTAL, OTHER OUTGO (excluding Transfers of Indirect Costs)			70,000.00	70,000.00	0.00	70,000.00	0.00	0.0%
OTHER OUTGO - TRANSFERS OF INDIRECT COSTS								
Transfers of Indirect Costs		7310	0.00	0.00	0.00	0.00		
Transfers of Indirect Costs - Interfund		7350	(819,239.00)	(819,239.00)	0.00	(819,239.00)	0.00	0.0%
TOTAL, OTHER OUTGO - TRANSFERS OF INDIRECT COSTS			(819,239.00)	(819,239.00)	0.00	(819,239.00)	0.00	0.0%
TOTAL, EXPENDITURES			380,633,820.00	403,550,652.66	98,787,659.44	405,707,510.82	(2,156,858.16)	-0.5%

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff (E/B) (F)
INTERFUND TRANSFERS								
INTERFUND TRANSFERS IN								
From: Special Reserve Fund		8912	0.00	0.00	0.00	0.00	0.00	0.0%
From: Bond Interest and Redemption Fund		8914	0.00	0.00	0.00	0.00	0.00	0.0%
Other Authorized Interfund Transfers In		8919	0.00	0.00	6,000.00	0.00	0.00	0.0%
(a) TOTAL, INTERFUND TRANSFERS IN			0.00	0.00	6,000.00	0.00	0.00	0.0%
INTERFUND TRANSFERS OUT								
To: Child Development Fund		7611	136,000.00	0.00	0.00	0.00	0.00	0.0%
To: Special Reserve Fund		7612	0.00	0.00	0.00	0.00	0.00	0.0%
To: State School Building Fund/ County School Facilities Fund		7613	0.00	0.00	0.00	0.00	0.00	0.0%
To: Cafeteria Fund		7616	0.00	0.00	0.00	0.00	0.00	0.0%
Other Authorized Interfund Transfers Out		7619	3,339,618.00	3,339,618.00	1,591,000.00	3,339,618.00	0.00	0.0%
(b) TOTAL, INTERFUND TRANSFERS OUT			3,475,618.00	3,339,618.00	1,591,000.00	3,339,618.00	0.00	0.0%
OTHER SOURCES/USES								
SOURCES								
State Apportionments Emergency Apportionments		8931	0.00	0.00	0.00	0.00	0.00	0.0%
Proceeds Proceeds from Sale/Lease- Purchase of Land/Buildings		8953	0.00	0.00	0.00	0.00	0.00	0.0%
Other Sources Transfers from Funds of Lapsed/Reorganized LEAs		8965	0.00	0.00	0.00	0.00	0.00	0.0%
Long-Term Debt Proceeds Proceeds from Certificates of Participation		8971	0.00	0.00	0.00	0.00	0.00	0.0%
Proceeds from Capital Leases		8972	0.00	0.00	0.00	0.00	0.00	0.0%
Proceeds from Lease Revenue Bonds		8973	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Financing Sources		8979	0.00	0.00	0.00	0.00	0.00	0.0%
(c) TOTAL, SOURCES			0.00	0.00	0.00	0.00	0.00	0.0%
USES								
Transfers of Funds from Lapsed/Reorganized LEAs		7651	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Financing Uses		7699	0.00	0.00	0.00	0.00	0.00	0.0%
(d) TOTAL, USES			0.00	0.00	0.00	0.00	0.00	0.0%
CONTRIBUTIONS								
Contributions from Unrestricted Revenues		8980	0.00	0.00	0.00	0.00		
Contributions from Restricted Revenues		8990	0.00	0.00	0.00	0.00		
(e) TOTAL, CONTRIBUTIONS			0.00	0.00	0.00	0.00	0.00	0.0%
TOTAL, OTHER FINANCING SOURCES/USES (a - b + c - d + e)			(3,475,618.00)	(3,339,618.00)	(1,585,000.00)	(3,339,618.00)	0.00	0.0%

<u>Resource</u>	<u>Description</u>	<u>2014-15 Projected Year Totals</u>
5640	Medi-Cal Billing Option	148,965.00
9010	Other Restricted Local	7,941,970.47
Total, Restricted Balance		<u>8,090,935.47</u>

Description	ESTIMATED FUNDED ADA Original Budget (A)	ESTIMATED FUNDED ADA Board Approved Operating Budget (B)	ESTIMATED P-2 REPORT ADA Projected Year Totals (C)	ESTIMATED FUNDED ADA Projected Year Totals (D)	DIFFERENCE (Col. D - B) (E)	PERCENTAGE DIFFERENCE (Col. E / B) (F)
A. DISTRICT						
1. Total District Regular ADA per EC 42238.05(b) Includes Opportunity Classes, Home & Hospital, Special Day Class, Continuation Education, Special Education NPS/LCI and Extended Year, and Community Day School (includes Necessary Small School ADA)	40,575.50	40,575.50	40,100.09	40,333.76	(241.74)	-1%
2. Total Basic Aid Choice/Court Ordered Voluntary Pupil Transfer Regular ADA per EC 42238.05(b) Includes Opportunity Classes, Home & Hospital, Special Day Class, Continuation Education, Special Education NPS/LCI and Extended Year, and Community Day School (ADA not included in Line A1 above)	0.00	0.00	0.00	0.00	0.00	0%
3. Total Basic Aid Open Enrollment Regular ADA per EC 42238.05(b) Includes Opportunity Classes, Home & Hospital, Special Day Class, Continuation Education, Special Education NPS/LCI and Extended Year, and Community Day School (ADA not included in Line A1 above)	0.00	0.00	0.00	0.00	0.00	0%
4. Total, District Regular ADA (Sum of Lines A1 through A3)	40,575.50	40,575.50	40,100.09	40,333.76	(241.74)	-1%
5. District Funded County Program ADA						
a. County Community Schools per EC 1981(a)(b)&(d)	65.00	65.00	55.00	55.00	(10.00)	-15%
b. Special Education-Special Day Class	0.00	0.00	0.00	0.00	0.00	0%
c. Special Education-NPS/LCI	0.00	0.00	0.00	0.00	0.00	0%
d. Special Education Extended Year-NPS/LC	0.00	0.00	0.00	0.00	0.00	0%
e. Other County Operated Programs: Opportunity Schools and Full Day Opportunity Classes, Specialized Secondary Schools, Technical, Agricultural, and Natural Resource Conservation Schools	0.00	0.00	0.00	0.00	0.00	0%
f. Total, District Funded County Program ADA (Sum of Lines A5a through A5e)	65.00	65.00	55.00	55.00	(10.00)	-15%
6. TOTAL DISTRICT ADA (Sum of Line A4 and Line A5f)	40,640.50	40,640.50	40,155.09	40,388.76	(251.74)	-1%
7. Adults in Correctional Facilities	0.00	0.00	0.00	0.00	0.00	0%
8. Charter School ADA (Enter Charter School ADA using Tab C. Charter School ADA)						

Provide methodology and assumptions used to estimate ADA, enrollment, revenues, expenditures, reserves and fund balance, and multiyear commitments (including cost-of-living adjustments).

Deviations from the standards must be explained and may affect the interim certification.

CRITERIA AND STANDARDS

1. CRITERION: Average Daily Attendance

STANDARD: Funded average daily attendance (ADA) for any of the current fiscal year or two subsequent fiscal years has not changed by more than two percent since budget adoption.

District's ADA Standard Percentage Range: -2.0% to +2.0%

1A. Calculating the District's ADA Variances

DATA ENTRY: Budget Adoption data that exist will be extracted; otherwise, enter data into the first column for all fiscal years. First Interim Projected Year Totals data should be entered for all fiscal years.

Fiscal Year	LCFF Revenue (Funded) ADA		Percent Change	Status
	Budget Adoption Budget (Form 01CS, Item 4A1, Step 1A)	First Interim Projected Year Totals		
Current Year (2014-15)	40,640.50	40,388.76	-0.6%	Met
1st Subsequent Year (2015-16)	40,392.50	40,155.09	-0.6%	Met
2nd Subsequent Year (2016-17)	39,908.00	39,987.65	0.2%	Met

1B. Comparison of District ADA to the Standard

DATA ENTRY: Enter an explanation if the standard is not met.

- 1a. STANDARD MET - Funded ADA has not changed since budget adoption by more than two percent in any of the current year or two subsequent fiscal years.

Explanation:
(required if NOT met)

2. CRITERION: Enrollment

STANDARD: Projected enrollment for any of the current fiscal year or two subsequent fiscal years has not changed by more than two percent since budget adoption.

District's Enrollment Standard Percentage Range: -2.0% to +2.0%

2A. Calculating the District's Enrollment Variances

DATA ENTRY: Budget Adoption data that exist will be extracted; otherwise, enter data into the first column for all fiscal years. Enter data in the second column for all fiscal years.

Fiscal Year	Enrollment		Percent Change	Status
	Budget Adoption (Form 01CS, Item 3B)	First Interim CBEDS/Projected		
Current Year (2014-15)	42,578	42,024	-1.3%	Met
1st Subsequent Year (2015-16)	42,450	41,889	-1.3%	Met
2nd Subsequent Year (2016-17)	41,940	41,913	-0.1%	Met

2B. Comparison of District Enrollment to the Standard

DATA ENTRY: Enter an explanation if the standard is not met.

- 1a. STANDARD MET - Enrollment projections have not changed since budget adoption by more than two percent for the current year and two subsequent fiscal years.

Explanation:
(required if NOT met)

3. CRITERION: ADA to Enrollment

STANDARD: Projected second period (P-2) average daily attendance (ADA) to enrollment ratio for any of the current fiscal year or two subsequent fiscal years has not increased from the historical average ratio from the three prior fiscal years by more than one half of one percent (0.5%).

3A. Calculating the District's ADA to Enrollment Standard

DATA ENTRY: Unaudited Actuals data that exist will be extracted into the P-2 ADA column for the First Prior Year; otherwise, enter First Prior Year data. P-2 ADA for the second and third prior years are preloaded. Budget Adoption data that exist will be extracted into the Enrollment column; otherwise, enter Enrollment data for all fiscal years.

Fiscal Year	P-2 ADA Unaudited Actuals (Form A, Lines 3, 6, and 25) (Form A, Lines A4, C1, and C2e)	Enrollment CBEDS Actual (Form 01CS, Item 2A)	Historical Ratio of ADA to Enrollment
Third Prior Year (2011-12)	40,171	42,403	94.7%
Second Prior Year (2012-13)	40,127	42,560	94.3%
First Prior Year (2013-14)	40,344	42,370	95.2%
		Historical Average Ratio:	94.7%
		District's ADA to Enrollment Standard (historical average ratio plus 0.5%):	95.2%

3B. Calculating the District's Projected Ratio of ADA to Enrollment

DATA ENTRY: If Form MYPI exists, Estimated P-2 ADA data for the two subsequent years will be extracted; if not, enter Estimated P-2 ADA data in the first column. All other data are extracted.

Fiscal Year	Estimated P-2 ADA (Form AI, Lines A4, C1, and C2e) (Form MYPI, Line F2)	Enrollment CBEDS/Projected (Criterion 2, Item 2A)	Ratio of ADA to Enrollment	Status
Current Year (2014-15)	40,100	42,024	95.4%	Not Met
1st Subsequent Year (2015-16)	39,909	41,889	95.3%	Not Met
2nd Subsequent Year (2016-17)	39,933	41,913	95.3%	Not Met

3C. Comparison of District ADA to Enrollment Ratio to the Standard

DATA ENTRY: Enter an explanation if the standard is not met.

- 1a. STANDARD NOT MET - Projected P-2 ADA to enrollment ratio exceeds the standard in any of the current year or two subsequent fiscal years. Provide reasons why the projected ratio exceeds the district's historical average ratio by more than 0.5%.

Explanation:
(required if NOT met)

The difference between the projected ratio and the historical average is statistically insignificant. However, the district continues to focus on improved student and parent engagement and school climate factors including attendance, truancy and diminishing suspension and expulsion rates. Each of these are called out in the district's LCAP.

4. CRITERION: LCFF Revenue

STANDARD: Projected LCFF revenue for any of the current fiscal year or two subsequent fiscal years has not changed by more than two percent since budget adoption.

District's LCFF Revenue Standard Percentage Range: -2.0% to +2.0%

4A. Calculating the District's Projected Change in LCFF Revenue

DATA ENTRY: Budget Adoption data that exist will be extracted; otherwise, enter data into the first column. In the First Interim column, Current Year data are extracted; enter data for the two subsequent years.

Fiscal Year	LCFF Revenue (Fund 01, Objects 8011, 8012, 8020-8089)		Percent Change	Status
	Budget Adoption	First Interim		
	(Form 01CS, Item 4B)	Projected Year Totals		
Current Year (2014-15)	307,802,286.00	301,635,454.00	-2.0%	Met
1st Subsequent Year (2015-16)	335,155,635.00	317,894,994.00	-5.2%	Not Met
2nd Subsequent Year (2016-17)	347,231,609.00	336,439,771.00	-3.1%	Not Met

4B. Comparison of District LCFF Revenue to the Standard

DATA ENTRY: Enter an explanation if the standard is not met.

- 1a. STANDARD NOT MET - Projected LCFF revenue has changed since budget adoption by more than two percent in any of the current year or two subsequent fiscal years. Provide reasons why the change(s) exceed the standard and a description of the methods and assumptions used in projecting LCFF revenue.

Explanation:
(required if NOT met)

The 15/16 variance is due to a drop in the GAP funding rate from 30.39% to 20.68%. The 16/17 variance is due to a declining enrollment.

5. CRITERION: Salaries and Benefits

STANDARD: Projected ratio of total unrestricted salaries and benefits to total unrestricted general fund expenditures for any of the current fiscal year or two subsequent fiscal years has not changed from the historical average ratio from the three prior fiscal years by more than the greater of three percent or the district's required reserves percentage.

It is likely that for many districts the 2014-15 and 2015-16 change from the historical average ratio will exceed the standard because certain revenues that were restricted prior to the LCFF are now unrestricted within the LCFF.

5A. Calculating the District's Historical Average Ratio of Unrestricted Salaries and Benefits to Total Unrestricted General Fund Expenditures

DATA ENTRY: Unaudited Actuals data that exist for the First Prior Year will be extracted; otherwise, enter data for the First Prior Year. Unaudited Actuals data for the second and third prior years are preloaded.

Fiscal Year	Unaudited Actuals - Unrestricted (Resources 0000-1999)		Ratio of Unrestricted Salaries and Benefits to Total Unrestricted Expenditures
	Salaries and Benefits (Form 01, Objects 1000-3999)	Total Expenditures (Form 01, Objects 1000-7499)	
Third Prior Year (2011-12)	191,138,685.76	211,336,963.89	90.4%
Second Prior Year (2012-13)	204,823,734.50	224,610,563.33	91.2%
First Prior Year (2013-14)	206,447,647.25	242,296,953.63	85.2%
	Historical Average Ratio:		88.9%

	Current Year (2014-15)	1st Subsequent Year (2015-16)	2nd Subsequent Year (2016-17)
District's Reserve Standard Percentage (Criterion 10B, Line 4)	2.0%	2.0%	2.0%
District's Salaries and Benefits Standard (historical average ratio, plus/minus the greater of 3% or the district's reserve standard percentage):	85.9% to 91.9%	85.9% to 91.9%	85.9% to 91.9%

5B. Calculating the District's Projected Ratio of Unrestricted Salaries and Benefits to Total Unrestricted General Fund Expenditures

DATA ENTRY: If Form MYPI exists, Projected Year Totals data for the two subsequent years will be extracted; if not, enter Projected Year Totals data. Projected Year Totals data for Current Year are extracted.

Fiscal Year	Projected Year Totals - Unrestricted (Resources 0000-1999)		Ratio of Unrestricted Salaries and Benefits to Total Unrestricted Expenditures	Status
	Salaries and Benefits (Form 01, Objects 1000-3999) (Form MYPI, Lines B1-B3)	Total Expenditures (Form 01, Objects 1000-7499) (Form MYPI, Lines B1-B8, B10)		
Current Year (2014-15)	236,900,063.85	288,881,497.82	82.0%	Not Met
1st Subsequent Year (2015-16)	256,576,554.75	300,456,532.75	85.4%	Not Met
2nd Subsequent Year (2016-17)	267,442,204.75	309,822,182.75	86.3%	Met

5C. Comparison of District Salaries and Benefits Ratio to the Standard

DATA ENTRY: Enter an explanation if the standard is not met.

- 1a. STANDARD NOT MET - Projected ratio of unrestricted salary and benefit costs to total unrestricted expenditures has changed by more than the standard in any of the current year or two subsequent fiscal years. Provide reasons why the change(s) exceed the standard and a description of the methods and assumptions used in projecting salaries and benefits.

Explanation:
(required if NOT met)

Under LCFF, Deferred Maintenance, Transportation and Adult Education were moved from restricted to unrestricted. This move resulted in an increased base of non-salary expenditures (i.e., Deferred Maintenance and Transportation), decreasing the salary to total expenditure ratio.

6. CRITERION: Other Revenues and Expenditures

STANDARD: Projected operating revenues (including federal, other state and other local) or expenditures (including books and supplies, and services and other operating), for any of the current fiscal year or two subsequent fiscal years, have not changed by more than five percent since budget adoption.

Changes that exceed five percent in any major object category must be explained.

District's Other Revenues and Expenditures Standard Percentage Range:	-5.0% to +5.0%
District's Other Revenues and Expenditures Explanation Percentage Range:	-5.0% to +5.0%

6A. Calculating the District's Change by Major Object Category and Comparison to the Explanation Percentage Range

DATA ENTRY: Budget Adoption data that exist will be extracted; otherwise, enter data into the first column. First Interim data for the Current Year are extracted. If First Interim Form MYPI exists, data for the two subsequent years will be extracted; if not, enter data for the two subsequent years into the second column.

Explanations must be entered for each category if the percent change for any year exceeds the district's explanation percentage range.

Object Range / Fiscal Year	Budget Adoption Budget (Form 01CS, Item 6B)	First Interim Projected Year Totals (Fund 01) (Form MYPI)	Percent Change	Change Is Outside Explanation Range
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Federal Revenue (Fund 01, Objects 8100-8299) (Form MYPI, Line A2)

Current Year (2014-15)	21,835,950.00	28,421,856.48	30.2%	Yes
1st Subsequent Year (2015-16)	21,835,950.00	23,099,128.00	5.8%	Yes
2nd Subsequent Year (2016-17)	21,835,950.00	23,099,128.00	5.8%	Yes

Explanation:
(required if Yes)

Current year changes reflect the accounting for carryover and unearned revenue for 2013-14 and the "true-up" of categorical projections adopted at budget to appropriation notices from federal resources. Subsequent year budgets are projected at 1x lower funding without regard for the influence of 2013-14 carryover on 2014-15.

Other State Revenue (Fund 01, Objects 8300-8599) (Form MYPI, Line A3)

Current Year (2014-15)	37,789,987.00	41,482,467.60	9.8%	Yes
1st Subsequent Year (2015-16)	37,789,987.00	41,386,607.00	9.5%	Yes
2nd Subsequent Year (2016-17)	37,789,987.00	41,386,607.00	9.5%	Yes

Explanation:
(required if Yes)

Additional appropriation over adopted budget for one-time mandated claims reimbursement, and Adult Ed Calworks.

Other Local Revenue (Fund 01, Objects 8600-8799) (Form MYPI, Line A4)

Current Year (2014-15)	5,431,022.00	5,556,895.32	2.3%	No
1st Subsequent Year (2015-16)	5,431,022.00	5,353,635.00	-1.4%	No
2nd Subsequent Year (2016-17)	5,431,022.00	5,353,635.00	-1.4%	No

Explanation:
(required if Yes)

Books and Supplies (Fund 01, Objects 4000-4999) (Form MYPI, Line B4)

Current Year (2014-15)	20,422,471.00	32,037,779.57	56.9%	Yes
1st Subsequent Year (2015-16)	18,391,885.00	16,827,701.00	-8.5%	Yes
2nd Subsequent Year (2016-17)	18,391,885.00	16,827,701.00	-8.5%	Yes

Explanation:
(required if Yes)

Current year changes reflect the accounting for carryover for 2013-14.

Services and Other Operating Expenditures (Fund 01, Objects 5000-5999) (Form MYPI, Line B5)

Current Year (2014-15)	41,312,181.00	51,660,925.62	25.1%	Yes
1st Subsequent Year (2015-16)	41,281,477.00	42,312,321.00	2.5%	No
2nd Subsequent Year (2016-17)	41,281,477.00	42,312,321.00	2.5%	No

Explanation:
(required if Yes)

Current year changes reflect the accounting for carryover for 2013-14.

6B. Calculating the District's Change in Total Operating Revenues and Expenditures

DATA ENTRY: All data are extracted or calculated.

Object Range / Fiscal Year	Budget Adoption Budget	First Interim Projected Year Totals	Percent Change	Status
Total Federal, Other State, and Other Local Revenue (Section 6A)				
Current Year (2014-15)	65,056,959.00	75,461,219.40	16.0%	Not Met
1st Subsequent Year (2015-16)	65,056,959.00	69,839,370.00	7.4%	Not Met
2nd Subsequent Year (2016-17)	65,056,959.00	69,839,370.00	7.4%	Not Met
Total Books and Supplies, and Services and Other Operating Expenditures (Section 6A)				
Current Year (2014-15)	61,734,652.00	83,698,705.19	35.6%	Not Met
1st Subsequent Year (2015-16)	59,673,362.00	59,140,022.00	-0.9%	Met
2nd Subsequent Year (2016-17)	59,673,362.00	59,140,022.00	-0.9%	Met

6C. Comparison of District Total Operating Revenues and Expenditures to the Standard Percentage Range

DATA ENTRY: Explanations are linked from Section 6A if the status in Section 6B is Not Met; no entry is allowed below.

- 1a. STANDARD NOT MET - One or more projected operating revenue have changed since budget adoption by more than the standard in one or more of the current year or two subsequent fiscal years. Reasons for the projected change, descriptions of the methods and assumptions used in the projections, and what changes, if any, will be made to bring the projected operating revenues within the standard must be entered in Section 6A above and will also display in the explanation box below.

Explanation:
Federal Revenue
(linked from 6A
if NOT met)

Current year changes reflect the accounting for carryover and unearned revenue for 2013-14 and the "true-up" of categorical projections adopted at budget to appropriation notices from federal resources. Subsequent year budgets are projected at \x lower funding without regard for the influence of 2013-14 carryover on 2014-15.

Explanation:
Other State Revenue
(linked from 6A
if NOT met)

Additional appropriation over adopted budget for one-time mandated claims reimbursement, and Adult Ed Calworks.

Explanation:
Other Local Revenue
(linked from 6A
if NOT met)

- 1b. STANDARD NOT MET - One or more total operating expenditures have changed since budget adoption by more than the standard in one or more of the current year or two subsequent fiscal years. Reasons for the projected change, descriptions of the methods and assumptions used in the projections, and what changes, if any, will be made to bring the projected operating revenues within the standard must be entered in Section 6A above and will also display in the explanation box below.

Explanation:
Books and Supplies
(linked from 6A
if NOT met)

Current year changes reflect the accounting for carryover for 2013-14.

Explanation:
Services and Other Exps
(linked from 6A
if NOT met)

Current year changes reflect the accounting for carryover for 2013-14.

7. CRITERION: Facilities Maintenance

STANDARD: Identify changes that have occurred since budget adoption in the projected contributions for facilities maintenance funding as required pursuant to Education Code Section 17070.75, or in how the district is providing adequately to preserve the functionality of its facilities for their normal life in accordance with Education Code sections 52060(d)(1) and 17002(d)(1).

Determining the District's Compliance with the Contribution Requirement for EC Section 17070.75 as modified by Section 17070.766 and amended by SB 70 (Chapter 7, Statutes of 2011), effective 2008-09 through 2014-15 - Ongoing and Major Maintenance/Restricted Maintenance Account (OMMA/RMA)

NOTE: SB 70 (Chapter 7, Statutes of 2011) extends EC Section 17070.766 from 2008-09 through 2014-15. EC Section 17070.766 reduced the contributions required by EC Section 17070.75 from 3 percent to 1 percent. Therefore, the calculation in this section has been revised accordingly for that period.

DATA ENTRY: Budget Adoption data that exist will be extracted; otherwise, enter Budget Adoption data into lines 1 and 2. All other data are extracted.

	Budget Adoption 1% Required Minimum Contribution (Form 01CS, Item 7, Line 2c)	First Interim Contribution Projected Year Totals (Fund 01, Resource 8150, Objects 8900-8999)	Status
1. OMMA/RMA Contribution	3,841,094.38	9,686,826.00	Met
2. Budget Adoption Contribution (information only) (Form 01CS, Criterion 7, Line 2c)		9,686,826.00	

If status is not met, enter an X in the box that best describes why the minimum required contribution was not made:

- Not applicable (district does not participate in the Leroy F. Green School Facilities Act of 1998)
- Exempt (due to district's small size [EC Section 17070.75 (b)(2)(D)])
- Other (explanation must be provided)

Explanation:
(required if NOT met
and Other is marked)

8. CRITERION: Deficit Spending

STANDARD: Unrestricted deficit spending (total unrestricted expenditures and other financing uses is greater than total unrestricted revenues and other financing sources) as a percentage of total unrestricted expenditures and other financing uses, has not exceeded one-third of the district's available reserves¹ as a percentage of total expenditures and other financing uses² in any of the current fiscal year or two subsequent fiscal years.

¹Available reserves are the unrestricted amounts in the Reserve for Economic Uncertainties and the Unassigned/Unappropriated accounts in the General Fund and the Special Reserve Fund for Other Than Capital Outlay Projects. Available reserves will be reduced by any negative ending balances in restricted resources in the General Fund.

²A school district that is the Administrative Unit of a Special Education Local Plan Area (SELPA) may exclude from its expenditures the distribution of funds to its participating members.

8A. Calculating the District's Deficit Spending Standard Percentage Levels

DATA ENTRY: All data are extracted or calculated.

	Current Year (2014-15)	1st Subsequent Year (2015-16)	2nd Subsequent Year (2016-17)
District's Available Reserve Percentages (Criterion 10C, Line 9)	5.8%	3.6%	3.7%
District's Deficit Spending Standard Percentage Levels (one-third of available reserve percentage):	1.9%	1.2%	1.2%

8B. Calculating the District's Deficit Spending Percentages

DATA ENTRY: Current Year data are extracted. If Form MYPI exists, data for the two subsequent years will be extracted; if not, enter data for the two subsequent years into the first and second columns.

Fiscal Year	Projected Year Totals		Deficit Spending Level (If Net Change in Unrestricted Fund Balance is negative, else N/A)	Status
	Net Change in Unrestricted Fund Balance (Form 011, Section E) (Form MYPI, Line C)	Total Unrestricted Expenditures and Other Financing Uses (Form 011, Objects 1000-7999) (Form MYPI, Line B11)		
Current Year (2014-15)	(17,301,759.79)	292,221,115.82	5.9%	Not Met
1st Subsequent Year (2015-16)	(13,739,624.75)	303,796,150.75	4.5%	Not Met
2nd Subsequent Year (2016-17)	(5,459,152.75)	313,161,800.75	1.7%	Not Met

8C. Comparison of District Deficit Spending to the Standard

DATA ENTRY: Enter an explanation if the standard is not met.

- 1a. STANDARD NOT MET - Unrestricted deficit spending has exceeded the standard percentage level in any of the current year or two subsequent fiscal years. Provide reasons for the deficit spending, a description of the methods and assumptions used in balancing the unrestricted budget, and what changes will be made to ensure that the budget deficits are eliminated or are balanced within the standard.

Explanation:
(required if NOT met)

The District has implemented a multi-year plan to spend down selected components of the fund balance resulting in deficit spending. The adopted budget included \$11.9 million in deficit spending directly attributable to one-time items in the LCAP. The LCAP provides further plans for deficit spending in the outyears. Additionally, the impact of carryover from one year to another year is reflected as deficit spending. Further, the impact of multi-year STRS and PERS contribution rate increases adopted by the state in June are not offset by outyears.

9. CRITERION: Fund and Cash Balances

A. FUND BALANCE STANDARD: Projected general fund balance will be positive at the end of the current fiscal year and two subsequent fiscal years.

9A-1. Determining if the District's General Fund Ending Balance is Positive

DATA ENTRY: Current Year data are extracted. If Form MYPI exists, data for the two subsequent years will be extracted; if not, enter data for the two subsequent years.

Fiscal Year	Ending Fund Balance General Fund Projected Year Totals (Form 011, Line F2) (Form MYPI, Line D2)	Status
Current Year (2014-15)	52,951,234.85	Met
1st Subsequent Year (2015-16)	39,691,230.58	Met
2nd Subsequent Year (2016-17)	34,711,697.31	Met

9A-2. Comparison of the District's Ending Fund Balance to the Standard

DATA ENTRY: Enter an explanation if the standard is not met.

- 1a. STANDARD MET - Projected general fund ending balance is positive for the current fiscal year and two subsequent fiscal years.

Explanation:
(required if NOT met)

B. CASH BALANCE STANDARD: Projected general fund cash balance will be positive at the end of the current fiscal year.

9B-1. Determining if the District's Ending Cash Balance is Positive

DATA ENTRY: If Form CASH exists, data will be extracted; if not, data must be entered below.

Fiscal Year	Ending Cash Balance General Fund (Form CASH, Line F, June Column)	Status
Current Year (2014-15)	68,671,259.00	Met

9B-2. Comparison of the District's Ending Cash Balance to the Standard

DATA ENTRY: Enter an explanation if the standard is not met.

- 1a. STANDARD MET - Projected general fund cash balance will be positive at the end of the current fiscal year.

Explanation:
(required if NOT met)

10. CRITERION: Reserves

STANDARD: Available reserves¹ for any of the current fiscal year or two subsequent fiscal years are not less than the following percentages or amounts² as applied to total expenditures and other financing uses³:

Percentage Level	District ADA		
5% or \$64,000 (greater of)	0	to	300
4% or \$64,000 (greater of)	301	to	1,000
3%	1,001	to	30,000
2%	30,001	to	400,000
1%	400,001	and	over

¹ Available reserves are the unrestricted amounts in the Reserve for Economic Uncertainties and the Unassigned/Unappropriated accounts in the General Fund and Special Reserve Fund for Other Than Capital Outlay Projects. Available reserves will be reduced by any negative ending balances in restricted resources in the General Fund.

² Dollar amounts to be adjusted annually by the prior year statutory cost-of-living adjustment (Education Code Section 42238), rounded to the nearest thousand.

³ A school district that is the Administrative Unit (AU) of a Special Education Local Plan Area (SELPA) may exclude from its expenditures the distribution of funds to its participating members.

	Current Year (2014-15)	1st Subsequent Year (2015-16)	2nd Subsequent Year (2016-17)
District Estimated P-2 ADA (Criterion 3, Item 3B)	40,100	39,909	39,933
District's Reserve Standard Percentage Level:	2%	2%	2%

10A. Calculating the District's Special Education Pass-through Exclusions (only for districts that serve as the AU of a SELPA)

DATA ENTRY: For SELPA AUs, if Form MYPI exists, all data will be extracted including the Yes/No button selection. If not, click the appropriate Yes or No button for item 1 and, if Yes, enter data for item 2a and for the two subsequent years in item 2b; Current Year data are extracted.

For districts that serve as the AU of a SELPA (Form MYPI, Lines F1a, F1b1, and F1b2):

- Do you choose to exclude from the reserve calculation the pass-through funds distributed to SELPA members?
- If you are the SELPA AU and are excluding special education pass-through funds:
 - Enter the name(s) of the SELPA(s): _____

	Current Year Projected Year Totals (2014-15)	1st Subsequent Year (2015-16)	2nd Subsequent Year (2016-17)
b. Special Education Pass-through Funds (Fund 10, resources 3300-3499 and 6500-6540, objects 7211-7213 and 7221-7223)	0.00		

10B. Calculating the District's Reserve Standard

DATA ENTRY: If Form MYPI exists, all data will be extracted or calculated. If not, enter data for line 1 for the two subsequent years; Current Year data are extracted.

	Current Year Projected Year Totals (2014-15)	1st Subsequent Year (2015-16)	2nd Subsequent Year (2016-17)
1. Expenditures and Other Financing Uses (Form 011, objects 1000-7999) (Form MYPI, Line B11)	409,047,128.82	400,994,368.27	411,258,674.27
2. Plus: Special Education Pass-through (Criterion 10A, Line 2b, if Criterion 10A, Line 1 is No)			
3. Total Expenditures and Other Financing Uses (Line B1 plus Line B2)	409,047,128.82	400,994,368.27	411,258,674.27
4. Reserve Standard Percentage Level	2%	2%	2%
5. Reserve Standard - by Percent (Line B3 times Line B4)	8,180,942.58	8,019,887.37	8,225,173.49
6. Reserve Standard - by Amount (\$64,000 for districts with less than 1,001 ADA, else 0)	0.00	0.00	0.00
7. District's Reserve Standard (Greater of Line B5 or Line B6)	8,180,942.58	8,019,887.37	8,225,173.49

10C. Calculating the District's Available Reserve Amount

DATA ENTRY: All data are extracted from fund data and Form MYPI. If Form MYPI does not exist, enter data for the two subsequent years.

Reserve Amounts (Unrestricted resources 0000-1999 except Line 4)	Current Year Projected Year Totals (2014-15)	1st Subsequent Year (2015-16)	2nd Subsequent Year (2016-17)
1. General Fund - Stabilization Arrangements (Fund 01, Object 9750) (Form MYPI, Line E1a)	0.00		
2. General Fund - Reserve for Economic Uncertainties (Fund 01, Object 9789) (Form MYPI, Line E1b)	8,180,943.00	8,019,890.00	8,225,180.00
3. General Fund - Unassigned/Unappropriated Amount (Fund 01, Object 9790) (Form MYPI, Line E1c)	15,530,806.13	6,433,857.46	7,007,541.71
4. General Fund - Negative Ending Balances in Restricted Resources (Fund 01, Object 979Z, if negative, for each of resources 2000-9999) (Form MYPI, Line E1d)	0.00	0.00	0.00
5. Special Reserve Fund - Stabilization Arrangements (Fund 17, Object 9750) (Form MYPI, Line E2a)	0.00		
6. Special Reserve Fund - Reserve for Economic Uncertainties (Fund 17, Object 9789) (Form MYPI, Line E2b)	0.00		
7. Special Reserve Fund - Unassigned/Unappropriated Amount (Fund 17, Object 9790) (Form MYPI, Line E2c)	0.00		
8. District's Available Reserve Amount (Lines C1 thru C7)	23,711,749.13	14,453,747.46	15,232,721.71
9. District's Available Reserve Percentage (Information only) (Line 8 divided by Section 10B, Line 3)	5.80%	3.60%	3.70%
District's Reserve Standard (Section 10B, Line 7):	8,180,942.58	8,019,887.37	8,225,173.49
Status:	Met	Met	Met

10D. Comparison of District Reserve Amount to the Standard

DATA ENTRY: Enter an explanation if the standard is not met.

- 1a. STANDARD MET - Available reserves have met the standard for the current year and two subsequent fiscal years.

Explanation:
(required if NOT met)

SUPPLEMENTAL INFORMATION

DATA ENTRY: Click the appropriate Yes or No button for items S1 through S4. Enter an explanation for each Yes answer.

S1. Contingent Liabilities

1a. Does your district have any known or contingent liabilities (e.g., financial or program audits, litigation, state compliance reviews) that have occurred since budget adoption that may impact the budget?

1b. If Yes, identify the liabilities and how they may impact the budget:

S2. Use of One-time Revenues for Ongoing Expenditures

1a. Does your district have ongoing general fund expenditures funded with one-time revenues that have changed since budget adoption by more than five percent?

1b. If Yes, identify the expenditures and explain how the one-time resources will be replaced to continue funding the ongoing expenditures in the following fiscal years:

S3. Temporary Interfund Borrowings

1a. Does your district have projected temporary borrowings between funds?
(Refer to Education Code Section 42603)

1b. If Yes, identify the interfund borrowings:

S4. Contingent Revenues

1a. Does your district have projected revenues for the current fiscal year or either of the two subsequent fiscal years contingent on reauthorization by the local government, special legislation, or other definitive act (e.g., parcel taxes, forest reserves)?

1b. If Yes, identify any of these revenues that are dedicated for ongoing expenses and explain how the revenues will be replaced or expenditures reduced:

S5. Contributions

Identify projected contributions from unrestricted resources in the general fund to restricted resources in the general fund for the current fiscal year and two subsequent fiscal years. Provide an explanation if contributions have changed by more than \$20,000 and more than five percent since budget adoption.

Identify projected transfers to or from the general fund to cover operating deficits in either the general fund or any other fund for the current fiscal year and two subsequent fiscal years. Provide an explanation if transfers have changed by more than \$20,000 and more than five percent since budget adoption.

Identify capital project cost overruns that have occurred since budget adoption that may impact the general fund budget.

District's Contributions and Transfers Standard: -5.0% to +5.0%
or -\$20,000 to +\$20,000

S5A. Identification of the District's Projected Contributions, Transfers, and Capital Projects that may Impact the General Fund

DATA ENTRY: Budget Adoption data that exist will be extracted; otherwise, enter data into the first column. For Contributions, the First Interim's Current Year data will be extracted. Enter First Interim Contributions for the 1st and 2nd Subsequent Years. For Transfers In and Transfers Out, if Form MYP exists, the data will be extracted into the First Interim column for the Current Year, and 1st and 2nd Subsequent Years. If Form MYP does not exist, enter data in the Current Year, and 1st and 2nd Subsequent Years. Click on the appropriate button for Item 1d; all other data will be calculated.

Description / Fiscal Year	Budget Adoption (Form 01CS, Item S5A)	First Interim Projected Year Totals	Percent Change	Amount of Change	Status
1a. Contributions, Unrestricted General Fund (Fund 01, Resources 0000-1999, Object 8980)					
Current Year (2014-15)	(40,173,702.00)	(40,173,702.00)	0.0%	0.00	Met
1st Subsequent Year (2015-16)	(42,671,333.00)	(41,732,976.00)	-2.2%	(938,357.00)	Met
2nd Subsequent Year (2016-17)	(44,211,410.00)	(42,631,631.00)	-3.6%	(1,579,779.00)	Met
1b. Transfers In, General Fund *					
Current Year (2014-15)	0.00	0.00	0.0%	0.00	Met
1st Subsequent Year (2015-16)	0.00	0.00	0.0%	0.00	Met
2nd Subsequent Year (2016-17)	0.00	0.00	0.0%	0.00	Met
1c. Transfers Out, General Fund *					
Current Year (2014-15)	3,475,618.00	3,339,618.00	-3.9%	(136,000.00)	Met
1st Subsequent Year (2015-16)	3,475,618.00	3,339,618.00	-3.9%	(136,000.00)	Met
2nd Subsequent Year (2016-17)	3,475,618.00	3,339,618.00	-3.9%	(136,000.00)	Met

1d. Capital Project Cost Overruns

Have capital project cost overruns occurred since budget adoption that may impact the general fund operational budget?

No

* Include transfers used to cover operating deficits in either the general fund or any other fund.

S5B. Status of the District's Projected Contributions, Transfers, and Capital Projects

DATA ENTRY: Enter an explanation if Not Met for items 1a-1c or if Yes for Item 1d.

1a. MET - Projected contributions have not changed since budget adoption by more than the standard for the current year and two subsequent fiscal years.

Explanation:
(required if NOT met)

1b. MET - Projected transfers in have not changed since budget adoption by more than the standard for the current year and two subsequent fiscal years.

Explanation:
(required if NOT met)

1c. MET - Projected transfers out have not changed since budget adoption by more than the standard for the current year and two subsequent fiscal years.

Explanation:
(required if NOT met)

--

1d. NO - There have been no capital project cost overruns occurring since budget adoption that may impact the general fund operational budget.

Project Information:
(required if YES)

S6. Long-term Commitments

Identify all existing and new multiyear commitments¹ and their annual required payment for the current fiscal year and two subsequent fiscal years.

Explain how any increase in annual payments will be funded. Also, explain how any decrease to funding sources used to pay long-term commitments will be replaced.

¹ Include multiyear commitments, multiyear debt agreements, and new programs or contracts that result in long-term obligations.

S6A. Identification of the District's Long-term Commitments

DATA ENTRY: If Budget Adoption data exist (Form 01CS, Item S6A), long-term commitment data will be extracted and it will only be necessary to click the appropriate button for Item 1b. Extracted data may be overwritten to update long-term commitment data in Item 2, as applicable. If no Budget Adoption data exist, click the appropriate buttons for items 1a and 1b, and enter all other data, as applicable.

1. a. Does your district have long-term (multiyear) commitments?
(If No, skip items 1b and 2 and sections S6B and S6C) Yes
- b. If Yes to Item 1a, have new long-term (multiyear) commitments been incurred since budget adoption? No
2. If Yes to Item 1a, list (or update) all new and existing multiyear commitments and required annual debt service amounts. Do not include long-term commitments for postemployment benefits other than pensions (OPEB); OPEB is disclosed in Item S7A.

Type of Commitment	# of Years Remaining	SACS Fund and Object Codes Used For:		Principal Balance as of July 1, 2014
		Funding Sources (Revenues)	Debt Service (Expenditures)	
Capital Leases				
Certificates of Participation	14	F03 Gen Fund Reserves, Object 9790	F56 Debt Svc Obj 7438,39 Principal, interest	11,880,000
General Obligation Bonds	varies	F51 Bond Fund Tax Levies, Object 861X	F51 Bond Fund Obj 7433,34 Redemption Int	139,315,000
Supp Early Retirement Program				
State School Building Loans				
Compensated Absences	on-going	All Funds	All Funds-Salary Objects 1XXX, 2XXX	4,207,105

Other Long-term Commitments (do not include OPEB):

Self Insurance	on-going	F03 Gen Fund Reserves, Object 9790	F67 Self Ins Liability, Objects 1XXX-7999	6,859,306
TOTAL:				162,261,411

Type of Commitment (continued)	Prior Year (2013-14) Annual Payment (P & I)	Current Year (2014-15) Annual Payment (P & I)	1st Subsequent Year (2015-16) Annual Payment (P & I)	2nd Subsequent Year (2016-17) Annual Payment (P & I)
Capital Leases				
Certificates of Participation	1,291,235	1,290,343	1,287,713	1,286,681
General Obligation Bonds				
Supp Early Retirement Program				
State School Building Loans				
Compensated Absences				

Other Long-term Commitments (continued):

Self Insurance	Varies	Varies	Varies	Varies
Total Annual Payments:	1,291,235	1,290,343	1,287,713	1,286,681
Has total annual payment increased over prior year (2013-14)?	No	No	No	No

S6B. Comparison of the District's Annual Payments to Prior Year Annual Payment

DATA ENTRY: Enter an explanation if Yes.

- 1a. No - Annual payments for long-term commitments have not increased in one or more of the current and two subsequent fiscal years.

Explanation:
(Required if Yes
to increase in total
annual payments)

S6C. Identification of Decreases to Funding Sources Used to Pay Long-term Commitments

DATA ENTRY: Click the appropriate Yes or No button in Item 1; if Yes, an explanation is required in Item 2.

1. Will funding sources used to pay long-term commitments decrease or expire prior to the end of the commitment period, or are they one-time sources?

Yes

2. Yes - Funding sources will decrease or expire prior to the end of the commitment period, or one-time funding sources are being used for long-term commitment annual payments. Provide an explanation for how those funds will be replaced to continue annual debt service commitments.

Explanation:
(Required if Yes)

Debt service has been partially supported by Fund 25. This source of debt service funds has become increasingly insufficient to support on-going debt service commitments related to Certificates of participation. The insufficient revenue is due to lower levels of developer mitigation fees. As such, there is an increase in the contribution to Debt Service by the general fund for the budget and/or out years.

S7. Unfunded Liabilities

Identify any changes in estimates for unfunded liabilities since budget adoption, and indicate whether the changes are the result of a new actuarial valuation.

S7A. Identification of the District's Estimated Unfunded Liability for Postemployment Benefits Other Than Pensions (OPEB)

DATA ENTRY: Click the appropriate button(s) for items 1a-1c, as applicable. Budget Adoption data that exist (Form 01CS, Item S7A) will be extracted; otherwise, enter Budget Adoption and First Interim data in items 2-4.

- 1. a. Does your district provide postemployment benefits other than pensions (OPEB)? (If No, skip items 1b-4)
- b. If Yes to Item 1a, have there been changes since budget adoption in OPEB liabilities?
- c. If Yes to Item 1a, have there been changes since budget adoption in OPEB contributions?

2. OPEB Liabilities

	Budget Adoption (Form 01CS, Item S7A)	First Interim
a. OPEB actuarial accrued liability (AAL)	77,152,158.00	77,152,185.00
b. OPEB unfunded actuarial accrued liability (UAAL)	45,032,751.00	45,032,751.00
c. Are AAL and UAAL based on the district's estimate or an actuarial valuation?	Actuarial	Actuarial
d. If based on an actuarial valuation, indicate the date of the OPEB valuation.	Jul 01, 2014	Jul 01, 2014

3. OPEB Contributions

	Budget Adoption (Form 01CS, Item S7A)	First Interim
a. OPEB annual required contribution (ARC) per actuarial valuation or Alternative Measurement Method		
Current Year (2014-15)	5,307,320.00	5,307,320.00
1st Subsequent Year (2015-16)	5,307,320.00	5,307,320.00
2nd Subsequent Year (2016-17)	5,307,320.00	5,307,320.00
b. OPEB amount contributed (for this purpose, include premiums paid to a self-insurance fund) (Funds 01-70, objects 3701-3752)		
Current Year (2014-15)	2,112,617.00	2,115,989.14
1st Subsequent Year (2015-16)	2,112,617.00	2,112,617.00
2nd Subsequent Year (2016-17)	2,116,617.00	2,116,617.00
c. Cost of OPEB benefits (equivalent of "pay-as-you-go" amount)		
Current Year (2014-15)	1,750,371.00	1,750,371.00
1st Subsequent Year (2015-16)	1,880,792.00	1,880,792.00
2nd Subsequent Year (2016-17)	2,056,129.00	2,056,129.00
d. Number of retirees receiving OPEB benefits		
Current Year (2014-15)	256	256
1st Subsequent Year (2015-16)	256	256
2nd Subsequent Year (2016-17)	256	256

4. Comments:

S7B. Identification of the District's Unfunded Liability for Self-insurance Programs

DATA ENTRY: Click the appropriate button(s) for items 1a-1c, as applicable. Budget Adoption data that exist (Form 01CS, Item S7B) will be extracted; otherwise, enter Budget Adoption and First Interim data in items 2-4.

1. a. Does your district operate any self-insurance programs such as workers' compensation, employee health and welfare, or property and liability? (Do not include OPEB; which is covered in Section S7A) (If No, skip items 1b-4)

Yes

b. If Yes to item 1a, have there been changes since budget adoption in self-insurance liabilities?

No

c. If Yes to item 1a, have there been changes since budget adoption in self-insurance contributions?

No

2. Self-Insurance Liabilities

a. Accrued liability for self-insurance programs
b. Unfunded liability for self-insurance programs

	Budget Adoption (Form 01CS, Item S7B)	First Interim
a.	12,485,828.00	11,673,279.00
b.	0.00	0.00

3. Self-Insurance Contributions

a. Required contribution (funding) for self-insurance programs
Current Year (2014-15)
1st Subsequent Year (2015-16)
2nd Subsequent Year (2016-17)

	Budget Adoption (Form 01CS, Item S7B)	First Interim
a.	37,632,033.00	38,614,288.00
	37,632,033.00	38,614,288.00
	37,632,033.00	38,614,288.00

b. Amount contributed (funded) for self-insurance programs
Current Year (2014-15)
1st Subsequent Year (2015-16)
2nd Subsequent Year (2016-17)

	37,632,033.00	38,614,288.00
	37,632,033.00	38,614,288.00
	37,632,033.00	38,614,288.00

4. Comments:

--

S8. Status of Labor Agreements

Analyze the status of employee labor agreements. Identify new labor agreements that have been ratified since budget adoption, as well as new commitments provided as part of previously ratified multiyear agreements; and include all contracts, including all administrator contracts (and including all compensation). For new agreements, indicate the date of the required board meeting. Compare the increase in new commitments to the projected increase in ongoing revenues and explain how these commitments will be funded in future fiscal years.

If salary and benefit negotiations are not finalized, upon settlement with certificated or classified staff:

The school district must determine the cost of the settlement, including salaries, benefits, and any other agreements that change costs, and provide the county office of education (COE) with an analysis of the cost of the settlement and its impact on the operating budget.

The county superintendent shall review the analysis relative to the criteria and standards and may provide written comments to the president of the district governing board and superintendent.

S8A. Cost Analysis of District's Labor Agreements - Certificated (Non-management) Employees

DATA ENTRY: Click the appropriate Yes or No button for "Status of Certificated Labor Agreements as of the Previous Reporting Period." There are no extractions in this section.

Status of Certificated Labor Agreements as of the Previous Reporting Period

Were all certificated labor negotiations settled as of budget adoption?

No

If Yes, complete number of FTEs, then skip to section S8B.

If No, continue with section S8A.

Certificated (Non-management) Salary and Benefit Negotiations

	Prior Year (2nd Interim) (2013-14)	Current Year (2014-15)	1st Subsequent Year (2015-16)	2nd Subsequent Year (2016-17)
Number of certificated (non-management) full-time-equivalent (FTE) positions	1,887.3	2,009.0	2,019.1	2,032.0

1a. Have any salary and benefit negotiations been settled since budget adoption?

Yes

If Yes, and the corresponding public disclosure documents have been filed with the COE, complete questions 2 and 3.

If Yes, and the corresponding public disclosure documents have not been filed with the COE, complete questions 2-5.

If No, complete questions 6 and 7.

1b. Are any salary and benefit negotiations still unsettled?

No

If Yes, complete questions 6 and 7.

Negotiations Settled Since Budget Adoption

2a. Per Government Code Section 3547.5(a), date of public disclosure board meeting:

Dec 08, 2014

2b. Per Government Code Section 3547.5(b), was the collective bargaining agreement certified by the district superintendent and chief business official?

Yes

If Yes, date of Superintendent and CBO certification:

Dec 08, 2014

3. Per Government Code Section 3547.5(c), was a budget revision adopted to meet the costs of the collective bargaining agreement?

Yes

If Yes, date of budget revision board adoption:

January 2015

4. Period covered by the agreement:

Begin Date:

End Date:

5. Salary settlement:

Current Year
(2014-15)

1st Subsequent Year
(2015-16)

2nd Subsequent Year
(2016-17)

Is the cost of salary settlement included in the interim and multiyear projections (MYPs)?

--	--	--

One Year Agreement

Total cost of salary settlement

--	--	--

% change in salary schedule from prior year
or

--	--	--

Multiyear Agreement

Total cost of salary settlement

--	--	--

% change in salary schedule from prior year
(may enter text, such as "Reopener")

--	--	--

Identify the source of funding that will be used to support multiyear salary commitments:

Negotiations Not Settled

6. Cost of a one percent increase in salary and statutory benefits

	Current Year (2014-15)	1st Subsequent Year (2015-16)	2nd Subsequent Year (2016-17)
7. Amount included for any tentative salary schedule increases	<input type="text"/>	<input type="text"/>	<input type="text"/>

Certificated (Non-management) Health and Welfare (H&W) Benefits

- Are costs of H&W benefit changes included in the interim and MYPs?
- Total cost of H&W benefits
- Percent of H&W cost paid by employer
- Percent projected change in H&W cost over prior year

	Current Year (2014-15)	1st Subsequent Year (2015-16)	2nd Subsequent Year (2016-17)
	Yes	Yes	Yes
	18,372,834	18,372,834	18,372,834
	82.0%	82.0%	82.0%
	6.5%	0.0%	0.0%

Certificated (Non-management) Prior Year Settlements Negotiated Since Budget Adoption

Are any new costs negotiated since budget adoption for prior year settlements included in the interim?

If Yes, amount of new costs included in the interim and MYPs

If Yes, explain the nature of the new costs:

No	<input type="text"/>	<input type="text"/>
----	----------------------	----------------------

Certificated (Non-management) Step and Column Adjustments

- Are step & column adjustments included in the interim and MYPs?
- Cost of step & column adjustments
- Percent change in step & column over prior year

	Current Year (2014-15)	1st Subsequent Year (2015-16)	2nd Subsequent Year (2016-17)
	Yes	Yes	Yes
	2,352,493	2,373,982	2,403,965
	1.5%	1.5%	1.5%

Certificated (Non-management) Attrition (layoffs and retirements)

- Are savings from attrition included in the budget and MYPs?
- Are additional H&W benefits for those laid-off or retired employees included in the interim and MYPs?

	Current Year (2014-15)	1st Subsequent Year (2015-16)	2nd Subsequent Year (2016-17)
	No	No	No
	No	No	No

Certificated (Non-management) - Other

List other significant contract changes that have occurred since budget adoption and the cost impact of each change (i.e., class size, hours of employment, leave of absence, bonuses, etc.):

S8B. Cost Analysis of District's Labor Agreements - Classified (Non-management) Employees

DATA ENTRY: Click the appropriate Yes or No button for "Status of Classified Labor Agreements as of the Previous Reporting Period." There are no extractions in this section.

Status of Classified Labor Agreements as of the Previous Reporting Period

Were all classified labor negotiations settled as of budget adoption?

If Yes, complete number of FTEs, then skip to section S8C.
If No, continue with section S8B.

Classified (Non-management) Salary and Benefit Negotiations

	Prior Year (2nd Interim) (2013-14)	Current Year (2014-15)	1st Subsequent Year (2015-16)	2nd Subsequent Year (2016-17)
Number of classified (non-management) FTE positions	1,086.0	1,157.0	1,157.0	1,157.0

1a. Have any salary and benefit negotiations been settled since budget adoption?

If Yes, and the corresponding public disclosure documents have been filed with the COE, complete questions 2 and 3.
If Yes, and the corresponding public disclosure documents have not been filed with the COE, complete questions 2-5.
If No, complete questions 6 and 7.

1b. Are any salary and benefit negotiations still unsettled?

If Yes, complete questions 6 and 7.

Negotiations Settled Since Budget Adoption

2a. Per Government Code Section 3547.5(a), date of public disclosure board meeting:

2b. Per Government Code Section 3547.5(b), was the collective bargaining agreement certified by the district superintendent and chief business official?

If Yes, date of Superintendent and CBO certification:

3. Per Government Code Section 3547.5(c), was a budget revision adopted to meet the costs of the collective bargaining agreement?

If Yes, date of budget revision board adoption:

4. Period covered by the agreement:

Begin Date:

End Date:

5. Salary settlement:

Current Year
(2014-15)

1st Subsequent Year
(2015-16)

2nd Subsequent Year
(2016-17)

Is the cost of salary settlement included in the interim and multiyear projections (MYPs)?

--	--	--

One Year Agreement

Total cost of salary settlement

--	--	--

% change in salary schedule from prior year
or

--

Multiyear Agreement

Total cost of salary settlement

--	--	--

% change in salary schedule from prior year
(may enter text, such as "Reopener")

--	--	--

Identify the source of funding that will be used to support multiyear salary commitments:

Negotiations Not Settled

6. Cost of a one percent increase in salary and statutory benefits

7. Amount included for any tentative salary schedule increases

Current Year
(2014-15)

1st Subsequent Year
(2015-16)

2nd Subsequent Year
(2016-17)

--	--	--

Classified (Non-management) Health and Welfare (H&W) Benefits

1. Are costs of H&W benefit changes included in the interim and MYPs?
2. Total cost of H&W benefits
3. Percent of H&W cost paid by employer
4. Percent projected change in H&W cost over prior year

Current Year (2014-15)	1st Subsequent Year (2015-16)	2nd Subsequent Year (2016-17)
Yes	Yes	Yes
9,906,698	9,906,698	9,906,698
82.0%	82.0%	82.0%
6.5%	0.0%	0.0%

Classified (Non-management) Prior Year Settlements Negotiated Since Budget Adoption

Are any new costs negotiated since budget adoption for prior year settlements included in the interim?

If Yes, amount of new costs included in the interim and MYPs
If Yes, explain the nature of the new costs:

No		
----	--	--

Classified (Non-management) Step and Column Adjustments

1. Are step & column adjustments included in the interim and MYPs?
2. Cost of step & column adjustments
3. Percent change in step & column over prior year

Current Year (2014-15)	1st Subsequent Year (2015-16)	2nd Subsequent Year (2016-17)
Yes	Yes	Yes
347,759	350,089	352,435
0.7%	0.7%	0.7%

Classified (Non-management) Attrition (layoffs and retirements)

1. Are savings from attrition included in the interim and MYPs?
2. Are additional H&W benefits for those laid-off or retired employees included in the interim and MYPs?

Current Year (2014-15)	1st Subsequent Year (2015-16)	2nd Subsequent Year (2016-17)
No	No	No
No	No	No

Classified (Non-management) - Other

List other significant contract changes that have occurred since budget adoption and the cost impact of each (i.e., hours of employment, leave of absence, bonuses, etc.):

S8C. Cost Analysis of District's Labor Agreements - Management/Supervisor/Confidential Employees

DATA ENTRY: Click the appropriate Yes or No button for "Status of Management/Supervisor/Confidential Labor Agreements as of the Previous Reporting Period." There are no extractions in this section.

Status of Management/Supervisor/Confidential Labor Agreements as of the Previous Reporting Period

Were all managerial/confidential labor negotiations settled as of budget adoption?
If Yes or n/a, complete number of FTEs, then skip to S9.
If No, continue with section S8C.

Management/Supervisor/Confidential Salary and Benefit Negotiations

	Prior Year (2nd Interim) (2013-14)	Current Year (2014-15)	1st Subsequent Year (2015-16)	2nd Subsequent Year (2016-17)
Number of management, supervisor, and confidential FTE positions	212.1	231.0	231.0	231.0

1a. Have any salary and benefit negotiations been settled since budget adoption?
If Yes, complete question 2.
If No, complete questions 3 and 4.

1b. Are any salary and benefit negotiations still unsettled?
If Yes, complete questions 3 and 4.

Negotiations Settled Since Budget Adoption

2. Salary settlement:

	Current Year (2014-15)	1st Subsequent Year (2015-16)	2nd Subsequent Year (2016-17)
Is the cost of salary settlement included in the interim and multiyear projections (MYPs)?			
Total cost of salary settlement			
Change in salary schedule from prior year (may enter text, such as "Reopener")			

Negotiations Not Settled

3. Cost of a one percent increase in salary and statutory benefits

	Current Year (2014-15)	1st Subsequent Year (2015-16)	2nd Subsequent Year (2016-17)
4. Amount included for any tentative salary schedule increases			

Management/Supervisor/Confidential Health and Welfare (H&W) Benefits

	Current Year (2014-15)	1st Subsequent Year (2015-16)	2nd Subsequent Year (2016-17)
1. Are costs of H&W benefit changes included in the interim and MYPs?			
2. Total cost of H&W benefits			
3. Percent of H&W cost paid by employer			
4. Percent projected change in H&W cost over prior year			

Management/Supervisor/Confidential Step and Column Adjustments

	Current Year (2014-15)	1st Subsequent Year (2015-16)	2nd Subsequent Year (2016-17)
1. Are step & column adjustments included in the budget and MYPs?			
2. Cost of step & column adjustments			
3. Percent change in step and column over prior year			

Management/Supervisor/Confidential Other Benefits (mileage, bonuses, etc.)

	Current Year (2014-15)	1st Subsequent Year (2015-16)	2nd Subsequent Year (2016-17)
1. Are costs of other benefits included in the interim and MYPs?			
2. Total cost of other benefits			
3. Percent change in cost of other benefits over prior year			

S9. Status of Other Funds

Analyze the status of other funds that may have negative fund balances at the end of the current fiscal year. If any other fund has a projected negative fund balance, prepare an interim report and multiyear projection for that fund. Explain plans for how and when the negative fund balance will be addressed.

S9A. Identification of Other Funds with Negative Ending Fund Balances

DATA ENTRY: Click the appropriate button in Item 1. If Yes, enter data in Item 2 and provide the reports referenced in Item 1.

1. Are any funds other than the general fund projected to have a negative fund balance at the end of the current fiscal year?

No

If Yes, prepare and submit to the reviewing agency a report of revenues, expenditures, and changes in fund balance (e.g., an interim fund report) and a multiyear projection report for each fund.

2. If Yes, identify each fund, by name and number, that is projected to have a negative ending fund balance for the current fiscal year. Provide reasons for the negative balance(s) and explain the plan for how and when the problem(s) will be corrected.

ADDITIONAL FISCAL INDICATORS

The following fiscal indicators are designed to provide additional data for reviewing agencies. A "Yes" answer to any single indicator does not necessarily suggest a cause for concern, but may alert the reviewing agency to the need for additional review.

DATA ENTRY: Click the appropriate Yes or No button for items A2 through A9; Item A1 is automatically completed based on data from Criterion 9.

- A1.** Do cash flow projections show that the district will end the current fiscal year with a negative cash balance in the general fund? (Data from Criterion 9B-1, Cash Balance, are used to determine Yes or No)
- A2.** Is the system of personnel position control independent from the payroll system?
- A3.** Is enrollment decreasing in both the prior and current fiscal years?
- A4.** Are new charter schools operating in district boundaries that impact the district's enrollment, either in the prior or current fiscal year?
- A5.** Has the district entered into a bargaining agreement where any of the current or subsequent fiscal years of the agreement would result in salary increases that are expected to exceed the projected state funded cost-of-living adjustment?
- A6.** Does the district provide uncapped (100% employer paid) health benefits for current or retired employees?
- A7.** Is the district's financial system independent of the county office system?
- A8.** Does the district have any reports that indicate fiscal distress pursuant to Education Code Section 42127.6(a)? (If Yes, provide copies to the county office of education.)
- A9.** Have there been personnel changes in the superintendent or chief business official positions within the last 12 months?

When providing comments for additional fiscal indicators, please include the item number applicable to each comment.

Comments:
(optional)

A9. Dr. David Hansen was appointed Superintendent effective July 1, 2014.

End of School District First Interim Criteria and Standards Review

2014-15 Second Interim
General Fund
Unrestricted and Restricted Resources
Projected Cash Flows

Operating Budget	Actual July 2014/15	Actual August 2014/15	Actual September 2014/15	Actual October 2014/15	Projected November 2014/15	Projected December 2014/15	Projected January 2014/15	Projected February 2014/15	Projected March 2014/15	Projected April 2014/15	Projected May 2014/15	Projected June 2014/15	Estimated Accruals & Carryover	
BEGINNING CASH 7/1	<u>59,825,759</u>	<u>85,275,038</u>	<u>86,736,015</u>	<u>89,506,910</u>	<u>83,722,075</u>	<u>74,002,265</u>	<u>87,108,230</u>	<u>86,164,452</u>	<u>72,065,615</u>	<u>74,086,274</u>	<u>82,643,570</u>	<u>58,235,383</u>		
RECEIPTS:														
REVENUE LIMIT														
State Aid-Current Year	195,994,826	10,218,898	10,218,898	18,394,016	18,402,440	17,639,534	17,639,534	17,639,534	17,639,534	17,639,534	17,639,534	17,639,534	11,759,690	3,524,144
EPA	46,816,843	0	0	11,710,650	0	0	11,704,211	0	0	11,704,211	0	0	11,697,188	0
Property Tax	58,823,785	0	2,468,876	2,757,361	1,461,522	6,471,546	8,821,510	6,487,038	22,125	22,125	16,608,084	(5,820,546)	19,524,143	0
Other	(436,904)	0	(17,379)	(34,757)	(23,171)	(39,321)	(39,321)	(39,321)	(39,321)	(39,321)	(39,321)	(39,321)	(86,348)	0
Federal Revenue	28,421,857	142,694	3,735,461	1,040,502	145,188	1,777,667	4,501,145	260,228	193,255	4,016,715	2,270,565	197,152	4,598,312	5,542,972
Other State Revenue	41,482,467	1,118,672	5,398,798	1,492,454	2,447,845	6,261,008	2,237,531	3,858,907	2,425,786	4,212,919	3,543,119	2,042,454	3,622,227	2,820,748
Other Local Revenue	5,556,895	35,919	185,799	217,180	252,807	2,509,175	327,673	262,673	262,673	334,973	239,473	556,382	372,167	(0)
Interfund Transfers In	0	0	0	0	6,000	0	0	0	0	0	0	0	(6,000)	0
Note Proceeds	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Accounts Receivable	778,498	300,831	219,738	80,213	37,872	44,841	3,270	78	0	3,659	0	0	87,996	0
Due From Grantor Government	79,721,513	74,799,550	304,239	2,377,551	1,348,762	0	0	0	0	0	0	0	891,411	0
Other Receipts/Non-Revenue	6,359,040	369,458	796,149	(372,617)	3,886,554	0	0	0	12,212	24,425	24,425	8,549	1,609,886	(0)
TOTAL RECEIPTS	463,518,820	86,986,022	23,310,579	37,662,553	27,965,819	34,664,450	45,195,552	28,469,138	20,516,265	37,919,239	40,285,880	14,584,203	54,070,672	11,887,864
DISBURSEMENTS:														
Certificated Salaries	190,418,566	6,375,488	5,453,355	16,697,995	17,103,889	17,441,592	17,085,801	17,325,699	17,440,925	17,216,420	17,117,168	18,089,764	18,089,764	4,980,707
Classified Salaries	53,247,587	2,429,495	2,669,099	4,374,232	4,727,359	4,860,680	4,641,170	4,320,430	4,768,285	4,792,283	4,540,596	4,792,283	4,792,283	1,539,392
Employee Benefits	68,644,180	3,553,187	4,324,486	6,183,757	6,123,350	5,863,336	5,674,580	5,434,243	5,621,645	6,636,493	4,643,437	5,834,755	5,491,534	3,259,376
Books and Supplies	32,037,780	257,967	1,207,057	2,868,527	2,406,875	719,045	1,144,429	789,537	752,170	2,484,530	1,005,346	2,563,022	4,805,667	11,033,608
Services	51,660,926	706,299	2,096,922	3,157,655	3,033,069	2,938,895	3,457,855	1,255,301	5,537,816	4,194,632	4,146,739	5,682,702	6,715,920	8,737,120
Capital Outlay	10,447,713	31,147	1,452,496	1,266,150	287,804	561,933	85,751	287,706	494,262	574,221	275,299	940,294	1,149,248	3,041,401
Other Outgo	(749,239)	0	0	0	0	0	0	0	0	0	0	0	(749,239)	0
Interfund Transfers Out	3,339,618	1,591,000	0	0	0	0	0	0	0	0	0	0	3,339,618	0
Accounts Payable	6,138,693	4,979,122	577,365	343,342	68,308	170,556	0	0	0	0	0	0	0	0
Due To Grantor Government	54,478,516	41,603,422	3,501	0	0	11,782,023	0	0	0	0	0	0	1,089,570	0
Other Disbursements/Non-Revenue	4,121,136	9,616	4,065,321	0	0	46,199	0	0	0	0	0	0	0	(0)
TOTAL DISBURSEMENTS	473,785,476	61,536,743	21,849,602	34,891,658	33,750,654	44,384,260	32,089,587	29,412,916	34,615,102	35,898,580	31,728,584	38,992,391	43,634,796	32,591,604
NET INCREASE/DECREASE	25,449,279	1,460,977	2,770,895	(5,784,835)	(9,719,810)	13,105,965	(943,778)	(14,098,837)	2,020,659	8,557,296	(24,408,187)	10,435,877		
ENDING CASH	85,275,038	86,736,015	89,506,910	83,722,075	74,002,265	87,108,230	86,164,452	72,065,615	74,086,274	82,643,570	58,235,383	68,671,259		

Description	Object Codes	Projected Year Totals (Form 011) (A)	% Change (Cols. C-A/A) (B)	2015-16 Projection (C)	% Change (Cols. E-C/C) (D)	2016-17 Projection (E)
(Enter projections for subsequent years 1 and 2 in Columns C and E; current year - Column A - is extracted)						
A. REVENUES AND OTHER FINANCING SOURCES						
1. LCFF/Revenue Limit Sources	8010-8099	301,198,550.00	5.54%	317,894,994.00	5.83%	336,439,771.00
2. Federal Revenues	8100-8299	306,000.00	0.00%	306,000.00	0.00%	306,000.00
3. Other State Revenues	8300-8599	10,446,217.03	0.00%	10,446,217.00	0.00%	10,446,217.00
4. Other Local Revenues	8600-8799	3,142,291.00	0.00%	3,142,291.00	0.00%	3,142,291.00
5. Other Financing Sources						
a. Transfers In	8900-8929	0.00	0.00%	0.00	0.00%	0.00
b. Other Sources	8930-8979	0.00	0.00%	0.00	0.00%	0.00
c. Contributions	8980-8999	(40,173,702.00)	3.88%	(41,732,976.00)	2.15%	(42,631,631.00)
6. Total (Sum lines A1 thru A5c)		274,919,356.03	5.51%	290,056,526.00	6.08%	307,702,648.00
B. EXPENDITURES AND OTHER FINANCING USES						
1. Certificated Salaries						
a. Base Salaries				150,054,394.22		162,677,899.22
b. Step & Column Adjustment				1,826,639.00		1,857,691.00
c. Cost-of-Living Adjustment				0.00		0.00
d. Other Adjustments				10,796,866.00		3,451,954.00
e. Total Certificated Salaries (Sum lines B1a thru B1d)	1000-1999	150,054,394.22	8.41%	162,677,899.22	3.26%	167,987,544.22
2. Classified Salaries						
a. Base Salaries				35,287,490.53		35,481,118.53
b. Step & Column Adjustment				201,795.00		203,046.00
c. Cost-of-Living Adjustment				0.00		0.00
d. Other Adjustments				(8,167.00)		0.00
e. Total Classified Salaries (Sum lines B2a thru B2d)	2000-2999	35,287,490.53	0.55%	35,481,118.53	0.57%	35,684,164.53
3. Employee Benefits	3000-3999	51,558,179.10	13.30%	58,417,537.00	9.16%	63,770,496.00
4. Books and Supplies	4000-4999	17,062,371.59	-42.11%	9,878,192.00	0.00%	9,878,192.00
5. Services and Other Operating Expenditures	5000-5999	30,657,955.80	-5.23%	29,053,863.00	0.00%	29,053,863.00
6. Capital Outlay	6000-6999	8,443,181.01	8.13%	9,129,997.00	-16.43%	7,629,997.00
7. Other Outgo (excluding Transfers of Indirect Costs)	7100-7299, 7400-7499	70,000.00	0.00%	70,000.00	0.00%	70,000.00
8. Other Outgo - Transfers of Indirect Costs	7300-7399	(4,252,074.43)	0.00%	(4,252,074.00)	0.00%	(4,252,074.00)
9. Other Financing Uses						
a. Transfers Out	7600-7629	3,339,618.00	0.00%	3,339,618.00	0.00%	3,339,618.00
b. Other Uses	7630-7699	0.00	0.00%	0.00	0.00%	0.00
10. Other Adjustments (Explain in Section F below)				0.00		0.00
11. Total (Sum lines B1 thru B10)		292,221,115.82	3.96%	303,796,150.75	3.08%	313,161,800.75
C. NET INCREASE (DECREASE) IN FUND BALANCE (Line A6 minus line B11)						
		(17,301,759.79)		(13,739,624.75)		(5,459,152.75)
D. FUND BALANCE						
1. Net Beginning Fund Balance (Form 011, line F1e)		62,162,059.17		44,860,299.38		31,120,674.63
2. Ending Fund Balance (Sum lines C and D1)		44,860,299.38		31,120,674.63		25,661,521.88
3. Components of Ending Fund Balance (Form 011)						
a. Nonspendable	9710-9719	650,000.00		650,000.00		650,000.00
b. Restricted	9740					
c. Committed						
1. Stabilization Arrangements	9750	0.00				
2. Other Commitments	9760	16,544,750.08		12,063,127.00		5,825,000.00
d. Assigned	9780	3,953,800.17		3,953,800.17		3,953,800.17
e. Unassigned/Unappropriated						
1. Reserve for Economic Uncertainties	9789	8,180,943.00		8,019,890.00		8,225,180.00
2. Unassigned/Unappropriated	9790	15,530,806.13		6,433,857.46		7,007,541.71
f. Total Components of Ending Fund Balance (Line D3f must agree with line D2)		44,860,299.38		31,120,674.63		25,661,521.88

Description	Object Codes	Projected Year Totals (Form 011) (A)	% Change (Cols. C-A/A) (B)	2015-16 Projection (C)	% Change (Cols. E-C/C) (D)	2016-17 Projection (E)
E. AVAILABLE RESERVES						
1. General Fund						
a. Stabilization Arrangements	9750	0.00		0.00		0.00
b. Reserve for Economic Uncertainties	9789	8,180,943.00		8,019,890.00		8,225,180.00
c. Unassigned/Unappropriated	9790	15,530,806.13		6,433,857.46		7,007,541.71
(Enter other reserve projections in Columns C and E for subsequent years 1 and 2; current year - Column A - is extracted)						
2. Special Reserve Fund - Noncapital Outlay (Fund 17)						
a. Stabilization Arrangements	9750	0.00				
b. Reserve for Economic Uncertainties	9789	0.00				
c. Unassigned/Unappropriated	9790	0.00				
3. Total Available Reserves (Sum lines E1a thru E2c)		23,711,749.13		14,453,747.46		15,232,721.71

F. ASSUMPTIONS

Please provide below or on a separate attachment, the assumptions used to determine the projections for the first and second subsequent fiscal years. Further, please include an explanation for any significant expenditure adjustments projected in lines B1d, B2d, and B10. For additional information, please refer to the Budget Assumptions section of the SACS Financial Reporting Software User Guide

Line B1d = In 15/16, \$5,821,488 increase for incremental LCAP commitments, \$246,792 reduction for decline in enrollment, \$4,259,817 increase for additional 15 minutes added to teacher

Description	Object Codes	Projected Year Totals (Form 011) (A)	% Change (Cols. C-A/A) (B)	2015-16 Projection (C)	% Change (Cols. E-C/C) (D)	2016-17 Projection (E)
workday, \$965,394 due to decrease in class size from 27:1 to 26:1 for Grades 1-3. In 16/17, \$2,323,968 increase for incremental LCAP commitments, \$97,265 for growth in enrollment, \$1,030,721 due to decrease in class size from 26:1 to 25:1 for Grades 1-3.						
Line B2d = In 15/16, \$108 reduction for one-time augmentations and \$8,059 adjustment for carryover/uneared revenue.						

Description	Object Codes	Projected Year Totals (Form 011) (A)	% Change (Cols. C-A/A) (B)	2015-16 Projection (C)	% Change (Cols. E-C/C) (D)	2016-17 Projection (E)
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Description	Object Codes	Projected Year Totals (Form 011) (A)	% Change (Cols. C-A/A) (B)	2015-16 Projection (C)	% Change (Cols. E-C/C) (D)	2016-17 Projection (E)

Description	Object Codes	Projected Year Totals (Form 011) (A)	% Change (Cols. C-A/A) (B)	2015-16 Projection (C)	% Change (Cols. E-C/C) (D)	2016-17 Projection (E)
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Description	Object Codes	Projected Year Totals (Form 011) (A)	% Change (Cols. C-A/A) (B)	2015-16 Projection (C)	% Change (Cols. E-C/C) (D)	2016-17 Projection (E)
(Enter projections for subsequent years 1 and 2 in Columns C and E; current year - Column A - is extracted)						
A. REVENUES AND OTHER FINANCING SOURCES						
1. LCFF/Revenue Limit Sources	8010-8099	0.00	0.00%	0.00	0.00%	0.00
2. Federal Revenues	8100-8299	28,115,856.48	-18.93%	22,793,128.00	0.00%	22,793,128.00
3. Other State Revenues	8300-8599	31,036,250.57	-0.31%	30,940,390.00	0.00%	30,940,390.00
4. Other Local Revenues	8600-8799	2,414,604.32	-8.42%	2,211,344.00	0.00%	2,211,344.00
5. Other Financing Sources						
a. Transfers In	8900-8929	0.00	0.00%	0.00	0.00%	0.00
b. Other Sources	8930-8979	0.00	0.00%	0.00	0.00%	0.00
c. Contributions	8980-8999	40,173,702.00	3.88%	41,732,976.00	2.15%	42,631,631.00
6. Total (Sum lines A1 thru A5c)		101,740,413.37	-3.99%	97,677,838.00	0.92%	98,576,493.00
B. EXPENDITURES AND OTHER FINANCING USES						
1. Certificated Salaries						
a. Base Salaries				40,364,171.52		36,769,676.52
b. Step & Column Adjustment				249,087.00		253,322.00
c. Cost-of-Living Adjustment				0.00		0.00
d. Other Adjustments				(3,843,582.00)		0.00
e. Total Certificated Salaries (Sum lines B1a thru B1d)	1000-1999	40,364,171.52	-8.91%	36,769,676.52	0.69%	37,022,998.52
2. Classified Salaries						
a. Base Salaries				17,960,096.00		17,967,007.00
b. Step & Column Adjustment				27,517.00		27,688.00
c. Cost-of-Living Adjustment				0.00		0.00
d. Other Adjustments				(20,606.00)		0.00
e. Total Classified Salaries (Sum lines B2a thru B2d)	2000-2999	17,960,096.00	0.04%	17,967,007.00	0.15%	17,994,695.00
3. Employee Benefits	3000-3999	17,086,000.48	-0.29%	17,035,764.00	3.63%	17,653,410.00
4. Books and Supplies	4000-4999	14,975,407.98	-53.59%	6,949,509.00	0.00%	6,949,509.00
5. Services and Other Operating Expenditures	5000-5999	21,002,969.82	-36.87%	13,258,458.00	0.00%	13,258,458.00
6. Capital Outlay	6000-6999	2,004,531.77	-10.95%	1,784,968.00	0.00%	1,784,968.00
7. Other Outgo (excluding Transfers of Indirect Costs)	7100-7299, 7400-7499	0.00	0.00%	0.00	0.00%	0.00
8. Other Outgo - Transfers of Indirect Costs	7300-7399	3,432,835.43	0.00%	3,432,835.00	0.00%	3,432,835.00
9. Other Financing Uses						
a. Transfers Out	7600-7629	0.00	0.00%	0.00	0.00%	0.00
b. Other Uses	7630-7699	0.00	0.00%	0.00	0.00%	0.00
10. Other Adjustments (Explain in Section F below)				0.00		0.00
11. Total (Sum lines B1 thru B10)		116,826,013.00	-16.80%	97,198,217.52	0.92%	98,096,873.52
C. NET INCREASE (DECREASE) IN FUND BALANCE						
(Line A6 minus line B11)						
		(15,085,599.63)		479,620.48		479,619.48
D. FUND BALANCE						
1. Net Beginning Fund Balance (Form 011, line F1e)		23,176,535.10		8,090,935.47		8,570,555.95
2. Ending Fund Balance (Sum lines C and D1)		8,090,935.47		8,570,555.95		9,050,175.43
3. Components of Ending Fund Balance (Form 011)						
a. Nonspendable	9710-9719	0.00				
b. Restricted	9740	8,090,935.47		8,570,555.95		9,050,175.43
c. Committed						
1. Stabilization Arrangements	9750					
2. Other Commitments	9760					
d. Assigned	9780					
e. Unassigned/Unappropriated						
1. Reserve for Economic Uncertainties	9789					
2. Unassigned/Unappropriated	9790	0.00		0.00		0.00
f. Total Components of Ending Fund Balance (Line D3f must agree with line D2)		8,090,935.47		8,570,555.95		9,050,175.43

Description	Object Codes	Projected Year Totals (Form 011) (A)	% Change (Cols. C-A/A) (B)	2015-16 Projection (C)	% Change (Cols. E-C/C) (D)	2016-17 Projection (E)
E. AVAILABLE RESERVES						
1. General Fund						
a. Stabilization Arrangements	9750					
b. Reserve for Economic Uncertainties	9789					
c. Unassigned/Unappropriated Amount	9790					
(Enter current year reserve projections in Column A, and other reserve projections in Columns C and E for subsequent years 1 and 2)						
2. Special Reserve Fund - Noncapital Outlay (Fund 17)						
a. Stabilization Arrangements	9750					
b. Reserve for Economic Uncertainties	9789					
c. Unassigned/Unappropriated	9790					
3. Total Available Reserves (Sum lines E1a thru E2c)						
F. ASSUMPTIONS						
Please provide below or on a separate attachment, the assumptions used to determine the projections for the first and second subsequent fiscal years. Further, please include an explanation for any significant expenditure adjustments projected in lines B1d, B2d, and B10. For additional information, please refer to the Budget Assumptions section of the SACS Financial Reporting Software User Guide.						

Description	Object Codes	Projected Year Totals (Form 011) (A)	% Change (Cols. C-A/A) (B)	2015-16 Projection (C)	% Change (Cols. E-C/C) (D)	2016-17 Projection (E)
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Line B1d = In 15/16 \$4,424,466 adjustment for carryover/unearned revenue and \$580,884 increase for additional 15 min added to teacher workday.
Line B2d = \$20,606 adjustment for carryover/unearned revenue.

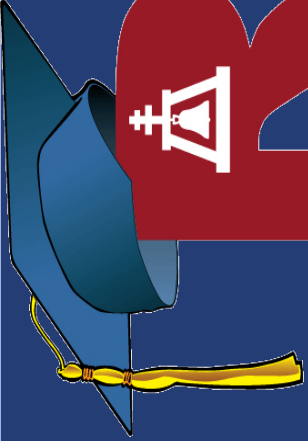
Description	Object Codes	Projected Year Totals (Form 011) (A)	% Change (Cols. C-A/A) (B)	2015-16 Projection (C)	% Change (Cols. E-C/C) (D)	2016-17 Projection (E)

Description	Object Codes	Projected Year Totals (Form 011) (A)	% Change (Cols. C-A/A) (B)	2015-16 Projection (C)	% Change (Cols. E-C/C) (D)	2016-17 Projection (E)
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Description	Object Codes	Projected Year Totals (Form 011) (A)	% Change (Cols. C-A/A) (B)	2015-16 Projection (C)	% Change (Cols. E-C/C) (D)	2016-17 Projection (E)
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Description	Object Codes	Projected Year Totals (Form 011) (A)	% Change (Cols. C-A/A) (B)	2015-16 Projection (C)	% Change (Cols. E-C/C) (D)	2016-17 Projection (E)
(Enter projections for subsequent years 1 and 2 in Columns C and E; current year - Column A - is extracted)						
A. REVENUES AND OTHER FINANCING SOURCES						
1. LCFF/Revenue Limit Sources	8010-8099	301,198,550.00	5.54%	317,894,994.00	5.83%	336,439,771.00
2. Federal Revenues	8100-8299	28,421,856.48	-18.73%	23,099,128.00	0.00%	23,099,128.00
3. Other State Revenues	8300-8599	41,482,467.60	-0.23%	41,386,607.00	0.00%	41,386,607.00
4. Other Local Revenues	8600-8799	5,556,895.32	-3.66%	5,353,635.00	0.00%	5,353,635.00
5. Other Financing Sources						
a. Transfers In	8900-8929	0.00	0.00%	0.00	0.00%	0.00
b. Other Sources	8930-8979	0.00	0.00%	0.00	0.00%	0.00
c. Contributions	8980-8999	0.00	0.00%	0.00	0.00%	0.00
6. Total (Sum lines A1 thru A5c)		376,659,769.40	2.94%	387,734,364.00	4.78%	406,279,141.00
B. EXPENDITURES AND OTHER FINANCING USES						
1. Certificated Salaries						
a. Base Salaries				190,418,565.74		199,447,575.74
b. Step & Column Adjustment				2,075,726.00		2,111,013.00
c. Cost-of-Living Adjustment				0.00		0.00
d. Other Adjustments				6,953,284.00		3,451,954.00
e. Total Certificated Salaries (Sum lines B1a thru B1d)	1000-1999	190,418,565.74	4.74%	199,447,575.74	2.79%	205,010,542.74
2. Classified Salaries						
a. Base Salaries				53,247,586.53		53,448,125.53
b. Step & Column Adjustment				229,312.00		230,734.00
c. Cost-of-Living Adjustment				0.00		0.00
d. Other Adjustments				(28,773.00)		0.00
e. Total Classified Salaries (Sum lines B2a thru B2d)	2000-2999	53,247,586.53	0.38%	53,448,125.53	0.43%	53,678,859.53
3. Employee Benefits	3000-3999	68,644,179.58	9.92%	75,453,301.00	7.91%	81,423,906.00
4. Books and Supplies	4000-4999	32,037,779.57	-47.48%	16,827,701.00	0.00%	16,827,701.00
5. Services and Other Operating Expenditures	5000-5999	51,660,925.62	-18.10%	42,312,321.00	0.00%	42,312,321.00
6. Capital Outlay	6000-6999	10,447,712.78	4.47%	10,914,965.00	-13.74%	9,414,965.00
7. Other Outgo (excluding Transfers of Indirect Costs)	7100-7299, 7400-7499	70,000.00	0.00%	70,000.00	0.00%	70,000.00
8. Other Outgo - Transfers of Indirect Costs	7300-7399	(819,239.00)	0.00%	(819,239.00)	0.00%	(819,239.00)
9. Other Financing Uses						
a. Transfers Out	7600-7629	3,339,618.00	0.00%	3,339,618.00	0.00%	3,339,618.00
b. Other Uses	7630-7699	0.00	0.00%	0.00	0.00%	0.00
10. Other Adjustments				0.00		0.00
11. Total (Sum lines B1 thru B10)		409,047,128.82	-1.97%	400,994,368.27	2.56%	411,258,674.27
C. NET INCREASE (DECREASE) IN FUND BALANCE (Line A6 minus line B11)						
		(32,387,359.42)		(13,260,004.27)		(4,979,533.27)
D. FUND BALANCE						
1. Net Beginning Fund Balance (Form 011, line F1e)		85,338,594.27		52,951,234.85		39,691,230.58
2. Ending Fund Balance (Sum lines C and D1)		52,951,234.85		39,691,230.58		34,711,697.31
3. Components of Ending Fund Balance (Form 011)						
a. Nonspendable	9710-9719	650,000.00		650,000.00		650,000.00
b. Restricted	9740	8,090,935.47		8,570,555.95		9,050,175.43
c. Committed						
1. Stabilization Arrangements	9750	0.00		0.00		0.00
2. Other Commitments	9760	16,544,750.08		12,063,127.00		5,825,000.00
d. Assigned	9780	3,953,800.17		3,953,800.17		3,953,800.17
e. Unassigned/Unappropriated						
1. Reserve for Economic Uncertainties	9789	8,180,943.00		8,019,890.00		8,225,180.00
2. Unassigned/Unappropriated	9790	15,530,806.13		6,433,857.46		7,007,541.71
f. Total Components of Ending Fund Balance (Line D3f must agree with line D2)		52,951,234.85		39,691,230.58		34,711,697.31

Description	Object Codes	Projected Year Totals (Form 011) (A)	% Change (Cols. C-A/A) (B)	2015-16 Projection (C)	% Change (Cols. E-C/C) (D)	2016-17 Projection (E)
E. AVAILABLE RESERVES (Unrestricted except as noted)						
1. General Fund						
a. Stabilization Arrangements	9750	0.00		0.00		0.00
b. Reserve for Economic Uncertainties	9789	8,180,943.00		8,019,890.00		8,225,180.00
c. Unassigned/Unappropriated	9790	15,530,806.13		6,433,857.46		7,007,541.71
d. Negative Restricted Ending Balances (Negative resources 2000-9999)	979Z			0.00		0.00
2. Special Reserve Fund - Noncapital Outlay (Fund 17)						
a. Stabilization Arrangements	9750	0.00		0.00		0.00
b. Reserve for Economic Uncertainties	9789	0.00		0.00		0.00
c. Unassigned/Unappropriated	9790	0.00		0.00		0.00
3. Total Available Reserves - by Amount (Sum lines E1 thru E2b)		23,711,749.13		14,453,747.46		15,232,721.71
4. Total Available Reserves - by Percent (Line E3 divided by Line F3c)		5.80%		3.60%		3.70%
F. RECOMMENDED RESERVES						
1. Special Education Pass-through Exclusions						
For districts that serve as the administrative unit (AU) of a special education local plan area (SELPA):						
a. Do you choose to exclude from the reserve calculation the pass-through funds distributed to SELPA members?	Yes					
b. If you are the SELPA AU and are excluding special education pass-through funds:						
1. Enter the name(s) of the SELPA(s):						
2. Special education pass-through funds (Column A: Fund 10, resources 3300-3499 and 6500-6540, objects 7211-7213 and 7221-7223; enter projections for subsequent years 1 and 2 in Columns C and E)						
		0.00				
2. District ADA (Used to determine the reserve standard percentage level on line F3d (Col. A: Form AI, Estimated P-2 ADA column, lines A4, C1, and C2e; enter projections))						
		40,100.09		39,908.83		39,932.65
3. Calculating the Reserves						
a. Expenditures and Other Financing Uses (Line B11)		409,047,128.82		400,994,368.27		411,258,674.27
b. Plus: Special Education Pass-through Funds (Line F1b2, if Line F1a is No)		0.00		0.00		0.00
c. Total Expenditures and Other Financing Uses (Line F3a plus line F3b)		409,047,128.82		400,994,368.27		411,258,674.27
d. Reserve Standard Percentage Level (Refer to Form 01CSI, Criterion 10 for calculation details)		2%		2%		2%
e. Reserve Standard - By Percent (Line F3c times F3d)		8,180,942.58		8,019,887.37		8,225,173.49
f. Reserve Standard - By Amount (Refer to Form 01CSI, Criterion 10 for calculation details)		0.00		0.00		0.00
g. Reserve Standard (Greater of Line F3e or F3f)		8,180,942.58		8,019,887.37		8,225,173.49
h. Available Reserves (Line E3) Meet Reserve Standard (Line F3g)		YES		YES		YES



RUSD

Innovation in Education

FIRST PERIOD INTERIM REPORT

An Overview of Financial Performance
And Updated Current Year Projections

Riverside Unified School District
December 8, 2014

Interim Reporting

- California Education Code, which incorporates provisions of Assembly Bill 1200 and Assembly Bill 2756, require each district to file interim reports twice each fiscal year.
- The first report covers the financial and budgetary status of the district for the period ending October 31.
- All budgetary information is annual, forecasting through June 30, 2015.
 - Based on current law.
 - Assumes funds appropriated are spent as planned.

Components of the Interim Report

- Actual and Projected Financial and Budgetary Data
- Standards and Criteria
- Actual and Projected Cash Flows
- Multi-Year Projections
- District Certification

Changes in Enrollment / ADA

	Adopted	Interim	Change
Enrollment	42,578	42,024	(554.0)
ADA	40,576	40,100	(475.4)
FUNDED ADA (soft landing)	40,576	40,334	(242.0)

Numbers exclude: charter schools and COE

Significant Changes in Budgetary Data

Unrestricted Revenue

	Adopted	Interim	Change
Local Control Funding Formula ADA decrease, proceeds from redevelopment assets, LCFF Gap % change	\$307.4	\$301.2	(\$6.2)
Federal Revenue	0.3	0.3	0.0
State Revenue One-time Mandate Claims payment \$2.7, CalWORKS \$0.3, Lottery true-up \$0.4	7.1	10.4	3.3
Local Revenue	3.1	3.1	0.0

Dollars in Millions

Significant Changes in Budgetary Data

Restricted Revenue

	Adopted	Interim	Change
Local Control Funding Formula	\$0.0	\$0.0	\$0.0
Federal Revenue Carryover \$5.3, Title I true-up \$1.0	21.5	28.1	6.6
State Revenue Lottery true-up \$0.2	30.7	31.0	0.3
Local Revenue Irvine, Heal Zone	2.3	2.4	0.1

Dollars in Millions

Significant Changes in Budgetary Data

Unrestricted Expenditures

	Adopted	Interim	Change
Salaries and Benefits H&W cap increase \$1.0, increase base teacher staffing \$0.7, sub pay rate increase \$0.3	\$235.2	\$236.9	\$1.7
Books and Supplies Carryover \$2.0, Augmentation \$1.0, CalWORKS \$0.3	13.6	17.1	3.5
Operating Expenses Lottery true-up \$0.4, Augmentation \$0.2, E-Rate \$0.1, Transfers	29.4	30.7	1.2
Capital Outlay E-Rate \$1.3	7.1	8.4	1.3

Dollars in Millions

Significant Changes in Budgetary Data

Restricted Expenditures

	Adopted	Interim	Change
Salaries and Benefits	\$75.4	\$75.4	\$0.0
Books and Supplies Carryover \$8.0	6.9	15.0	8.1
Operating Expenses Carryover \$7.7, Transfers \$1.4	11.9	21.0	9.1
Capital Outlay	2.0	2.0	0.0

Dollars in Millions

Significant Changes in Budgetary Data

Ending Fund Balance (6/30/15)

	Adopted	Interim	Change
Unrestricted	\$57.7	\$44.9	(\$12.8)
Beginning Balance Adjustment			(5.9)
Audit Adjustment			3.4
LCFF Adjustment			(6.2)
Carryover			(3.3)
H&W Cap Increase			(0.8)
E-Rate, Augmentation, True Up			(2.7)
One-Time Mandated Cost Pay			2.7
Restricted	17.2	8.1	(9.1)
Beginning Balance Adjustment			1.3
Carryover			(10.5)

Dollars in Millions

Significant Changes in Budgetary Data

Deficit Spending

	Adopted	Interim	Change
Unrestricted	(\$6.9)	(\$17.3)	(\$10.4)
LCFF Adjustment			(6.3)
Carryover			(3.3)
H&W Cap Increase			(0.9)
E-Rate, Augmentation, True Up			(2.6)
One-Time Mandated Cost Pay			2.7
Restricted	(4.7)	(15.1)	(10.4)
Carryover			(10.4)

Dollars in Millions

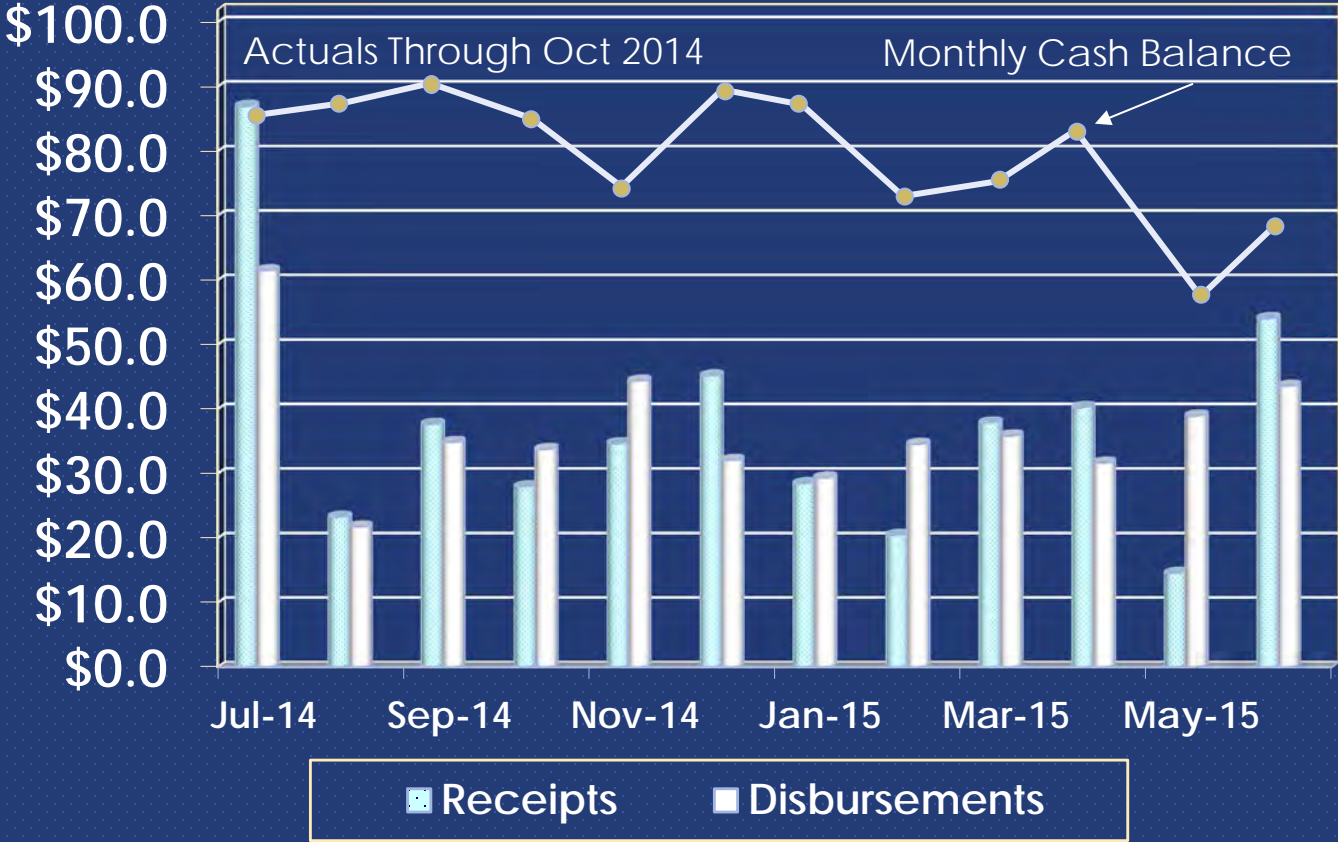
Cash Flow

- Current inter-year deferrals have significantly decreased to a non-impactful level with remaining amount expected to be eliminated by 1Q 2015-16.
- Long-standing internal cash resources outside the General Fund are continuing to diminish.

Cash Flow

Dollars in Millions

Estimated June 2015 Cash Deferral \$4.5M



Updated Multiyear Projections

Combined General Fund

2014-15	2015-16	2016-17
Surplus/(Deficit) Spending		
(\$32.4)	(\$13.3)	(\$5.0)
Fund Balance		
\$53.0	\$39.7	\$34.7
Minimum Fund Balance Requirement*		
\$33.4	\$29.3	\$23.8
Shortfall in Fund Balance		
\$0	\$0	\$0

Dollars in Millions

* Minimum fund balance requirements include petty cash, value of stores inventory, assigned for legally restricted purposes, committed funds and Reserve for Economic Uncertainty.

State Economy Outlook

- California economy continues in **recovery and grows** beyond previous peak points.
- Baseline economic forecast: steady, moderate **growth** through 2019-20, leveling thereafter. Many variables could derail this outlook.
- Improving economy (state and local tax receipts) and restrained expenditures will result in a **positive** fiscal environment for the state's budget year.
- The **volatility** of California's revenue system has not diminished; in fact the volatility has increased.

State Budget Stabilized

- The November Legislative Analyst Office (LAO) report on the budget projects **significant new Proposition 98 funding levels** for the current (2014-15) and budget (2015-16) years of \$2.3 billion and \$6.4 billion, respectively.
- At forecasted revenue levels, the governor and legislature will have ample **opportunity to fund** the next round of LCFF and growth, and pay down remaining deferrals and unpaid mandate claims.
- Some Proposition 98 funding in 15-16 will likely be **one-time** in nature, creating both opportunities and challenges locally.

Standards and Criteria

Criteria Not Met

- **Criteria 3 – ADA Ratios – All Years** – reflects forecasted variance that is statistically outside of the historical range. Increasing ADA ratios over historical levels is reflective of adopted plans such as the LCAP through metrics that included reduction of absenteeism, suspensions, expulsions, and truancy.
- **Criteria 4 – LCFF/Revenue Limit – Subsequent Years** – reflects a drop in anticipated LCFF Gap funding in 2015-16 as a result of the 2014-15 state budget which was adopted subsequent to the District's budget.

Standards and Criteria

Criteria Not Met

- **Criteria 5 – Salaries and Benefits – Current and First Subsequent Year** – reflects forecasted variance that is outside of the historical range due to an increase in the non-salary base which were consequences of transferring Deferred Maintenance and Transportation from restricted funds to unrestricted funds under LCFF.
- **Criteria 6 – Other Revenues, Other Expenses – All Years** – reflects impact from carryover (added in current year and subtracted in other years) of categorical programs, and state payments for prior year Mandated Cost Reimbursement claims.

Standards and Criteria

Criteria Not Met

- **Criteria 8 – Deficit Spending** – All Years – reflects impact from carryover of categorical programs, contribution rate increases for STRS and PERS, and one-time expenditure priorities.

Standards and Criteria

Fiscal Health Indicators

- All fiscal health indicators are positive for the current year.
- Fund balance is diminishing as forecasted.
- Cash flow has improved as a result of the state pay down of cash deferrals.

Certification of Financial Condition

Recommend Positive Certification

- ☑ • Positive Certification: "...based upon current projections this district will meet its financial obligations for the current fiscal year and subsequent two fiscal years."
- Qualified Certification: "...based upon current projections this district **may** not meet its financial obligations for the current fiscal year or two subsequent fiscal years."
- Negative Certification: "...based upon current projections this district **will** be unable to meet its financial obligations for the remainder of the current fiscal year or for the subsequent fiscal year."



Riverside Unified School District

3380 14th Street • Riverside, CA • 92501

Board Meeting Agenda December 8, 2014

Topic: California School Boards Association's Delegate Assembly Riverside Unified School District Representative Appointment

Presented by: David C. Hansen, Ed.D., District Superintendent

Responsible Cabinet Member: David C. Hansen, Ed.D., District Superintendent

Type of Item: Action

Short Description: The Board of Education is being asked to appoint a representative to the CSBA's Delegate Assembly to fill this position.

DESCRIPTION OF AGENDA ITEM:

Based on the ADA of this District, the Board of Education is entitled to appoint two representatives to CSBA's Delegate Assembly. Currently, the District's delegates are Mrs. Gayle Cloud, whose term expires on March 16, 2015, and Mr. Tom Hunt, whose term expires in March 2016. **CSBA is requesting Riverside's Governing Board to either reappoint Mrs. Gayle Cloud or to appoint a new representative to CSBA's Delegate Assembly to fill this position. In addition, at their November 18, 2014 regular Board of Education meeting, the Governing Board of the San Jacinto Unified School District unanimously voted to nominate Mrs. Cloud to CSBA's Delegate Assembly for the 2015-2017 term.**

The CSBA Delegate Assembly sets the general policy direction for the association. Delegates fulfill a critical governance role by communicating the interest of local boards to CSBA's Board of Directors, Executive Committee, and staff. Delegates give policy and legislative direction through the adoption of the policy platform every two years and the adoption of other policy statements as needed. They also speak on issues and provide direct advocacy on behalf of the association.

There are normally two Delegate Assembly meetings each year, one in May prior to the Legislative Action Conference, and one preceding the CSBA Annual Education Conference in November/December.

The District must submit the attached CSBA Delegate Appointment form and the Appointed Delegate's Biographical Sketch by Monday, March 16, 2015.

FISCAL IMPACT: None

RECOMMENDATION: The Board is being asked to appoint a representative to CSBA's Delegate Assembly to fill this position.

ADDITIONAL MATERIAL: 2015 CSBA Delegate Assembly Memorandum, 2015 Delegate Appointment Form, 2015 Delegate Assembly Candidate Biographical Sketch Form, and CSBA Appointed Delegates Whose Term Expires in 2015.

Attached: Yes



California School Boards Association

October 22, 2014

DEADLINE: Wednesday, January 7, 2015
BOARD ACTION REQUIRED
Please deliver to all governing board members.

MEMORANDUM

TO: All Board Presidents, Superintendents and CSBA Member Boards of Education

FROM: Josephine Lucey, President

RE: Call for Nominations for CSBA Delegate Assembly

Each year, member boards elect representatives from 21 geographic regions to CSBA's Delegate Assembly. The Delegate Assembly is a vital link in the association's governance structure and sets the general policy direction for the association. Working with local districts, county offices, the Board of Directors, and Executive Committee, delegates ensure that the association promotes the interests of school districts and county offices of education throughout the state. There are two required Delegate Assembly meetings each year, one on May 16-17, 2015 in Sacramento and one on December 2-3, 2015 preceding the CSBA Annual Education Conference and Trade show in San Diego.

Nomination and candidate biographical sketch forms for CSBA's Delegate Assembly are now being accepted until **Wednesday, January 7, 2015**. Nomination instructions are listed below:

- Any CSBA member board is eligible to nominate board members within their geographical region or subregion and may nominate as many individuals as it chooses by submitting a nomination form for each nominee.
- All nominees must serve on CSBA member boards and give their approval prior to being nominated.
- All nominees must submit a one-page, single-sided, candidate biographical sketch form. An optional one-page, one-sided résumé may also be submitted but cannot be substituted for the biographical sketch form.
- All nomination materials must be postmarked by the U.S.P.S. or faxed no later than **Wednesday, January 7**. It is the nominee's responsibility to confirm that all nomination materials have been received by the CSBA Leadership Services department by this due date. Late submissions will not be accepted.
- Ballots will be mailed by Monday, February 2, 2015 and are due Monday, March 16, 2015. Elected Delegates serve a two-year term beginning April 1, 2015 through March 31, 2017.

The following nomination materials and information related to the election process is available to download at www.csba.org/About/Leadership. For more information about the Delegate Assembly, please contact Charlyn Tuter in the Leadership Services department at ctuter@csba.org or (800) 266-3382. Thank you.

- Nomination Form
- Candidate Biographical Sketch Form
- Important Dates
- List of all Delegates with expiration terms
- FAQ



Delegate Assembly Appointment Form

Forms are due by: Monday, March 16, 2015

Mail to: CSBA | Attn: Leadership Services | 3251 Beacon Blvd., West Sacramento, CA 95691 | or fax (916) 371-3407

CSBA Region/subregion # _____

The Board of Education of the _____
(School District or COE)

wishes to appoint: _____ to the Delegate Assembly
(Appointee name)

for a two-year term beginning April 1, 2015 through March 31, 2017.

- The appointee has consented to this appointment, and
- Attached is the appointee's required one-page, single-sided candidate biographical sketch form and optional one-page, single-sided résumé, or
- The appointee's required one-page, single-sided candidate biographical sketch form and optional one-page, single-sided résumé will be sent by the deadline date.

Board Clerk or Board Secretary (signed)

Date

Board Clerk or Board Secretary (printed)

PLEASE NOTE: The appointment and candidate biographical sketch forms must be returned CSBA, attention: Leadership Services via mail: 3251 Beacon Blvd., West Sacramento, CA 95691 (U.S.P.S.) or fax: (916) 371-3407 no later than **Monday, March 16, 2015**. If you have any questions, please contact Charlyn Tuter in the CSBA Leadership Services department at ctuter@csba.org or (800) 266-3382. Thank you.

APPOINTED Delegate Assembly Candidate Biographical Sketch Form



Mail to: CSBA | Attn: Leadership Services | 3251 Beacon Blvd., West Sacramento, CA 95691 | or fax (916) 371-3407

Please complete, sign and date this required one-page candidate biographical sketch form. An optional, one-page, single-sided, résumé may also be submitted. Please do not state "see résumé" and please do not re-type this form. Any additional page(s) exceeding this one-page candidate form will not be accepted. **This form is due by Monday, March 16, 2015.** If you have any questions, please contact Charlyn Tuter in Leadership Services at ctuter@csba.org or (800) 266-3281.

Name: _____	CSBA Region: _____
District or COE: _____	Years on board: _____
Contact Number: _____	E-mail: _____
Are you a continuing Delegate? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, how long have you served as a Delegate? _____	

CSBA's Delegate Assembly sets the general education policy direction for the Association. As a member of the Delegate Assembly, please describe what your top three educational priorities would be, and why they are important to the Association.

Another responsibility of Delegates is to communicate the interests of local boards to CSBA's Board of Directors, Executive Committee and staff. Please describe your activities/involvement or interests in your local district or county office.

Why are you interested in becoming a Delegate and what contribution do you feel you would make as a member of the Delegate Assembly?

Your signature indicates your consent to serve as an appointed CSBA Delegate.

Signature

Date



Appointed Delegates Whose Term Expires In 2015

Forms are due by: Monday, March 16, 2015

Mail to: CSBA | Attn: Leadership Services | 3251 Beacon Blvd., West Sacramento, CA 95691 | or fax 916.371.3407

The following highlighted Delegates are up for reappointment in 2015. If your district or COE Delegate's name is highlighted, your board must either reappoint the listed Delegate below, or appoint another member from its board and submit a new appointment and biographical form by March 16. If you have any questions, please contact Charlyn Tuter in Leadership Services at ctuter@csba.org or (800) 366-3382.

REGION/SUBREGION COUNTY	DISTRICT or COE	APPOINTED DELEGATES
Region/Subregion 5A County: San Francisco	San Francisco County & USD Appointed Delegates: 3	(15) Emily M. Murase (15) Rachel P. Norton (16) Matt Haney
Region/Subregion 6B County: Sacramento	Elk Grove USD Appointed Delegates: 2	(15) Jeanette Amavisca (16) Bobbie Singh-Allen
	Sacramento City USD Appointed Delegates: 2	(15) Jay Hanson (16) Darrel H. Woo
	San Juan USD Appointed Delegates: 2	(16) Lucinda E. Luttgen (15) Pam Costa
	Twin Rivers USD Appointed Delegates: 1	(15) Michael Baker
Region/Subregion 7A County: Contra Costa	Mt. Diablo USD Appointed Delegates: 1	(15) Linda Mayo
Region/Subregion 7B County: Alameda	Fremont USD Appointed Delegates: 1	(15) VACANT
	Oakland USD Appointed Delegates: 2	(16) Anne Campbell (15) Jody London
Region/Subregion 8A County: San Joaquin	Stockton USD Appointed Delegates: 2	(16) Gloria J. Allen (15) Kathleen Garcia
Region/Subregion 10B County: Fresno	Clovis USD Appointed Delegates: 1	(15) Brian D. Heryford
	Fresno USD Appointed Delegates: 2	(15) Valerie F. Davis (16) Carol Mills
Region/Subregion 12B County: Kern	Kern Union HSD Appointed Delegates: 2	(15) Martha Miller (16) Mike Williams
Region 15 County: Orange	Anaheim Union HSD Appointed Delegates: 1	(16) Annemarie Randle-Trejo
	Garden Grove USD Appointed Delegates: 2	(16) Lan Nguyen (15) Bao Nguyen
	Saddleback Valley USD Appointed Delegates: 1	(15) Ginny Aitkens
	Santa Ana USD Appointed Delegates: 2	(16) Cecilia Iglesias (15) Rob Richardson
Region 15 County: Orange	Orange COE Appointed Delegates: 1	(15) John W. Bedell



Appointed Delegates Whose Term Expires In 2015

Forms are due by: Monday, March 16, 2015

Mail to: CSBA | Attn: Leadership Services | 3251 Beacon Blvd., West Sacramento, CA 95691 | or fax 916.371.3407

REGION/SUBREGION COUNTY	DISTRICT or COE	APPOINTED DELEGATES
Region/Subregion 16B County: San Bernardino	Chino Valley USD Appointed Delegates: 1	(15) Sylvia Orozco
	Fontana USD Appointed Delegates: 2	(16) Ayanna Blackmon-Balogun (15) Lorena Corona
	San Bernardino City USD Appointed Delegates: 2	(15) Sharon Perong (16) Lynda Savage
Region 17 County: San Diego	Poway USD Appointed Delegates: 1	(15) Penny Ranftle
	San Diego USD Appointed Delegates: 3	(16) Scott Barnett (15) Kevin Beiser (15) Marne Foster
	Sweetwater Union HSD Appointed Delegates: 2	(16) VACANT (15) VACANT
	San Diego COE Appointed Delegates: 1	(15) Susan L. Hartley
Region/Subregion 18A County: Riverside	Corona-Norco USD Appointed Delegates: 2	(15) Bill Newberry (16) Cathy L. Sciortino
	Moreno Valley USD Appointed Delegates: 1	(15) Tracey B. Vackar
	Riverside USD Appointed Delegates: 2	(15) Gayle Cloud (16) Tom Hunt
Region 20 County: Santa Clara	San Jose USD Appointed Delegates: 1	(15) Richard Garcia
	Santa Clara COE Appointed Delegates: 1	(16) Darcie Green
Region 21 County: Los Angeles	Los Angeles COE Appointed Delegates: 1	(16) VACANT
Region/Subregion 23B	Montebello USD Appointed Delegates: 2	(15) Hector A. Chacon (16) Benjamin Cardenas
Region/Subregion 23C	Pomona USD Appointed Delegates: 1	(15) Roberta Perlman
Region 24	Long Beach USD Appointed Delegates: 2	(16) John McGinnis (15) Felton Williams



Riverside Unified School District

3380 14th Street • Riverside, CA • 92501

Board Meeting Agenda December 8, 2014

Topic: Nominations for the California School Boards Association's Delegate Assembly

Presented by: David C. Hansen, Ed.D., District Superintendent

Responsible
Cabinet Member: David C. Hansen, Ed.D., District Superintendent

Type of Item: Action

Short Description: CSBA Subregion 18A has nine (9) Delegate Assembly positions that expire in 2015.

DESCRIPTION OF AGENDA ITEM:

Subregion 18A of the California School Boards Association (CSBA) has nine (9) Delegate Assembly positions that expire in 2015. The positions are currently held by:

Alejandro Cassadas (Banning Unified School District)
Gayle Cloud (Riverside Unified School District)*
Robin J. Crist (Murrieta Valley Unified School District)
Bruce N. Dennis (Riverside County Office of Education)
Memo Mendez (Jurupa Unified School District)
Bill Newberry (Corona-Norco Unified School District)*
John I. Norman (San Jacinto Unified School District)
Sandra Tusan (Romoland Elementary School District)
Tracey B. Vackar (Moreno Valley Unified School District)*
*denotes appointed delegate

Nominations for the two-year vacancies are being accepted by the CSBA through Tuesday, January 7, 2015. A valid nomination must include a nomination form and a candidate biographical sketch form. CSBA delegates serve two-year terms. Those elected in 2015 will serve beginning April 1, 2015 through March 31, 2017.

In addition to serving on CSBA's Delegate Assembly, regional county Delegates also serve as Regional Directors for a two-year term on the California County Boards of Education (CCBE) Board of Directors (see the memo attached). There are three meetings per year; one on May 17, 2015 held in conjunction with the CSBA Delegate Assembly meeting in Sacramento, one on September 11, 2015 prior to the CCBE Fall Conference in Monterey, and one on December 3, 2015 held in conjunction with the CSBA Annual Education Conference in San Diego.

FISCAL IMPACT: None

RECOMMENDATION: The Board may nominate candidates for the CSBA Delegate Assembly Subregion 18A.

ADDITIONAL MATERIAL: 2015 CSBA Delegate Assembly Nomination Memorandum, 2015 Delegate Assembly Nomination Form, 2015 Delegate Assembly Candidate Biographical Sketch Form, CSBA Delegates Whose Elected Term Expires in 2015, and Memorandum to CCBE and CSBA Member County Boards of Education

Attached: Yes



California School Boards Association

October 22, 2014

DEADLINE: Wednesday, January 7, 2015
BOARD ACTION REQUIRED
Please deliver to all governing board members.

MEMORANDUM

TO: All Board Presidents, Superintendents and CSBA Member Boards of Education

FROM: Josephine Lucey, President

RE: Call for Nominations for CSBA Delegate Assembly

Each year, member boards elect representatives from 21 geographic regions to CSBA's Delegate Assembly. The Delegate Assembly is a vital link in the association's governance structure and sets the general policy direction for the association. Working with local districts, county offices, the Board of Directors, and Executive Committee, delegates ensure that the association promotes the interests of school districts and county offices of education throughout the state. There are two required Delegate Assembly meetings each year, one on May 16-17, 2015 in Sacramento and one on December 2-3, 2015 preceding the CSBA Annual Education Conference and Trade show in San Diego.

Nomination and candidate biographical sketch forms for CSBA's Delegate Assembly are now being accepted until **Wednesday, January 7, 2015**. Nomination instructions are listed below:

- Any CSBA member board is eligible to nominate board members within their geographical region or subregion and may nominate as many individuals as it chooses by submitting a nomination form for each nominee.
- All nominees must serve on CSBA member boards and give their approval prior to being nominated.
- All nominees must submit a one-page, single-sided, candidate biographical sketch form. An optional one-page, one-sided résumé may also be submitted but cannot be substituted for the biographical sketch form.
- All nomination materials must be postmarked by the U.S.P.S. or faxed no later than **Wednesday, January 7**. It is the nominee's responsibility to confirm that all nomination materials have been received by the CSBA Leadership Services department by this due date. Late submissions will not be accepted.
- Ballots will be mailed by Monday, February 2, 2015 and are due Monday, March 16, 2015. Elected Delegates serve a two-year term beginning April 1, 2015 through March 31, 2017.

The following nomination materials and information related to the election process are available to download at www.csba.org/About/Leadership. For more information about the Delegate Assembly, please contact Charlyn Tuter in the Leadership Services department at ctuter@csba.org or (800) 266-3382. Thank you.

- Nomination Form
- Candidate Biographical Sketch Form
- Important Dates
- List of all Delegates with expiration terms
- FAQ



County Delegate Assembly Nomination Form

DUE: Wednesday, January 7, 2015

Mail to: CSBA | Attn: Leadership Services | 3251 Beacon Blvd., West Sacramento, CA 95691 | or fax (916) 371-3407

Only county boards may nominate for the county Delegate Assembly seat.

CSBA Region # _____

The Board of Education of the _____ wishes to
(Nominating COE)

nominate _____ . The nominee is a member of the
(Nominee)

_____, which is a member of the California
(Nominee's COE)

School Boards Association.

- The nominee has consented to this nomination.
- Attached is the nominee's required one-page, single-sided candidate biographical sketch form and optional one-page, single-sided résumé.
- The nominee's required one-page, single-sided candidate biographical sketch form and optional one-page, single-sided résumé will be sent by the deadline date.

Board Clerk or Board Secretary (signed)

Date

Board Clerk or Board Secretary (printed)

PLEASE NOTE: The nomination and candidate biographical sketch forms may be faxed to (916) 371-3407 or mailed to CSBA, Attn: Leadership Services, 3251 Beacon Blvd., West Sacramento, CA 95691 postmarked by the U.S.P.S. no later than **Wednesday, January 7, 2015**. ***It is the nominee's responsibility to confirm that all nomination materials have been received by the CSBA Leadership Services department by the due date. Late submissions cannot be accepted.*** If you have any questions, please contact Charlyn Tuter in the Leadership Services department at ctuter@csba.org or (800) 266-3382. Thank you.

County Delegate Assembly Candidate Biographical Sketch Form



DUE: Wednesday, January 7, 2015

Mail to: CSBA | Attn: Leadership Services | 3251 Beacon Blvd., West Sacramento, CA 95691 | or fax (916) 371-3407

Only county boards may run for the county Delegate Assembly seat. Please complete, sign and date this required one-page candidate biographical sketch form. An optional, one-page, single-sided, résumé may also be submitted; both will be copied exactly as received. Please do not state "see résumé" and please do not re-type this form. Any additional page(s) exceeding this one-page candidate form will **not** be accepted. It is the candidate's responsibility to confirm that all nomination materials have been received by the CSBA Leadership Services department by January 7 postmark by the U.S.P.S. Late submissions will not be accepted. If you have any questions, please contact Charlyn Tuter in Leadership Services at ctuter@csba.org or (800) 266-3281.

Name: _____	CSBA Region: _____
COE Name: _____	Years on board: _____
Contact Number: _____	E-mail: _____
Are you a continuing Delegate? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, how long have you served as a Delegate? _____	

CSBA's Delegate Assembly sets the general education policy direction for the Association. As a member of the Delegate Assembly, please describe what your top three educational priorities would be, and why they are important to the Association.

Another responsibility of Delegates is to communicate the interests of local boards to CSBA's Board of Directors, Executive Committee and staff. Please describe your activities/involvement or interests in your local county office.

Why are you interested in becoming a County Delegate/CCBE Director and what contribution do you feel you would make as a member of the Delegate Assembly and a member of CCBE's Board of Directors?

Your signature indicates your consent to have your name placed on the ballot and to serve as a County Delegate and a member on the CCBE's Board of Directors, if elected.

Signature: _____

Date: _____

Only highlighted Delegates are up for re-election or re-appointment in 2015. Please contact Delegates and confirm if they wish to continue serving on the Delegate Assembly before nominating them. If you have any questions, please contact Charlyn Tuter in Leadership Services at ctuter@csba.org or (800) 266-3382.

REGION 1 – 4 Delegates (4 elected)

Subregion 1-A (Counties: Del Norte, Humboldt)

Frances Costello (Del Norte County & USD), 2015

Susan Johnson (Eureka City SD), 2016

Subregion 1-B (Counties: Lake, Mendocino)

Taja Odom (Kelseyville USD), 2016

County Delegate

David Browning (Lake COE), 2015

REGION 2 – 4 Delegates (4 elected)

Subregion 2-A (Counties: Modoc, Siskiyou, Trinity)

Gregg Gunkel (Siskiyou Union HSD), 2015

Subregion 2-B (County: Shasta)

James Schwerdt (Shasta Union HSD), 2015

Subregion 2-C (Counties: Lassen, Plumas)

Christopher Russell (Plumas County & USD), 2016

County Delegate

Brenda Duchi (Siskiyou COE), 2016

REGION 3 – 8 Delegates (8 elected)

Subregion 3-A (County: Sonoma)

Ron Abler (Forestville Union ESD), 2015

Ed Gilardi (Cotati-Rohnert Park USD), 2016

Subregion 3-B (County: Napa)

Indira Lopez (Calistoga Joint USD), 2015

Subregion 3-C (County: Solano)

David McCallum (Vacaville USD), 2015

Raymond V. Mommsen (Vallejo City USD), 2015

Patricia Shamansky (Fairfield-Suisun USD), 2016

Subregion 3-D (County: Marin)

Linda M. Jackson (San Rafael City Schools), 2016

County Delegate

Jennifer Kresge (Napa COE), 2015

REGION 4 – 8 Delegates (8 elected)

Subregion 4-A (Counties: Glenn, Tehama)

Barbara McIver (Red Bluff Jt. Union HSD), 2016

Subregion 4-B (Butte)

Mary Ellen Garrahy (Oroville City ESD), 2015

Subregion 4-C (Counties: Colusa, Sutter, Yuba)

Sharman Kobayashi (Yuba City USD), 2015

Jim Flurry (Marysville Joint USD), 2016

Subregion 4-D (Counties: Nevada, Placer, Sierra)

Trish Gerving (Nevada City SD), 2015

James Brian Vlahos (Roseville City SD), 2015

Renee Nash (Eureka Union SD), 2016

Region 4 County Delegate

Suzanne Jones (Placer COE), 2016

REGION 5 – 10 Delegates (7 elected/3 appointed) ♦

Subregion 5-A (County: San Francisco)

Matt Haney (San Francisco County & USD), 2016 ♦

Emily Murase (San Francisco County & USD), 2015 ♦

Rachel Norton (San Francisco County & USD), 2015 ♦

Subregion 5-B (County: San Mateo)

Maria Diaz-Slocum (Redwood City ESD), 2015

Carrie Du Bois (Sequoia Union HSD), 2015

Kevin Martinez (San Bruno Park ESD), 2015

Marc Friedman (San Mateo Union HSD), 2016

Alisa MacAvoy (Redwood City ESD), 2016

Kalimah Salahuddin (Jefferson Union HSD), 2016

County Delegate

Beverly Gerard (San Mateo COE), 2015

REGION 6 – 19 Delegates (12 elected/7 appointed) ♦

Subregion 6-A (County: Yolo)

Susan Lovenburg (Davis Joint USD), 2016

Subregion 6-B (County: Sacramento)

Jeannette Amavisca (Elk Grove USD), 2015 ♦

Michael Baker (Twin Rivers USD), 2015 ♦

Pam Costa (San Juan USD), 2015 ♦

Priscilla Cox (Elk Grove USD), 2015

John Gordon (Galt Joint Union ESD), 2015

Jay Hansen (Sacramento City USD), 2015 ♦

Susan Heredia (Natomas USD), 2015

Lisa Kaplan (Natomas USD), 2015

Edward Short (Folsom-Cordova USD), 2015

Craig DeLuz (Robla ESD), 2016

Lucinda E. Luttgen (San Juan USD), 2016 ♦

Bobbie Singh-Allen (Elk Grove USD), 2016 ♦

Teresa Stanley (Folsom-Cordova USD), 2016

Darrel H. Woo (Sacramento City USD), 2016 ♦

VACANT, 2016

Subregion 6-C (Counties: Alpine, El Dorado, Mono)

Suzanna George (Rescue Union ESD), 2015

Misty DiVittorio (Placerville Union USD), 2016

County Delegate

Bill Owens (Yolo COE), 2016

REGION 7 – 19 Delegates (15 elected/4 appointed) ♦

Subregion 7-A (County: Contra Costa)

Teresa Gerringer (Lafayette ESD), 2015

Linda Mayo (Mt. Diablo USD), 2015 ♦

Yolanda Pena Mendrek (Liberty Union HSD), 2015

Charles Ramsey (West Contra Costa USD), 2015

Laura Canciamilla (Pittsburg USD), 2016

Kathi McLaughlin (Martinez USD), 2016

Raymond Valverde (Liberty Union HSD), 2016

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Subregion 7-B (County: Alameda)

Ann Crosbie (Fremont USD), 2015 ◆
Jody London (Oakland USD), 2015 ◆
Michael McMahon (Alameda USD), 2015
Lily K. Mei (Fremont USD), 2015
Diana J. Prola (San Leandro USD), 2015
Joaquin J. Rivera (Alameda COE), 2015
 Valerie Arkin (Pleasanton USD), 2016
 Rosie Torres (Oakland USD), 2016 ◆
 Jamie Hintzke (Pleasanton USD), 2016
 Amy Miller (Dublin USD), 2016
 Nancy Thomas (Newark USD), 2016

County Delegate

Richard Asadoorian (Contra Costa COE), 2015

REGION 8 – 14 Delegates (12 elected/2 appointed) ◆

Subregion 8-A (County: San Joaquin)

Matthew Balzarini (Lammersville Joint USD), 2015
Kathleen Garcia (Stockton USD), 2015 ◆
George Neely (Lodi USD), 2015

Gloria J. Allen (Stockton USD), 2016 ◆
 Sam Fant (Manteca USD), 2016
 Van-Ha To-Cowell (Lincoln USD), 2016
 Ralph M. Womack (Lodi USD), 2016

Subregion 8-B (Counties: Amador, Calaveras, Tuolumne)

Zerrall McDaniel (Calaveras USD), 2015

Subregion 8-C (County: Stanislaus)

Eileen Hamilton (Turlock USD), 2015
Cynthia Lindsey (Sylvan Union ESD), 2015

Faye Lane (Ceres USD), 2016

Subregion 8-D (County: Merced)

Adam Cox (Merced City ESD), 2015
 Ida Johnson (Merced Union HSD), 2016

County Delegate

VACANT, 2016

REGION 9 – 8 Delegates (8 elected)

Subregion 9-A (Counties: San Benito, Santa Cruz)

George Wylie (San Lorenzo Valley USD), 2015
 Cynthia Hawthorne (Santa Cruz City Schools), 2016
 Phil Rodriguez (Soquel Union ESD), 2016

Subregion 9-B (Monterey)

Lila Cann (Salinas Union HSD), 2015
 Bettye Lusk (Monterey Peninsula USD), 2016

Subregion 9-C (San Luis Obispo)

Vicki Meagher (Lucia Mar USD), 2015
 Mark Buchman (San Luis Coastal USD), 2016

County Delegate

John McPherson (Monterey COE), 2015

REGION 10 – 13 Delegates (10 elected/3 appointed) ◆

Subregion 10-A (Counties: Madera, Mariposa)

Barbara Bigelow (Chawanakee USD), 2015

Subregion 10-B (County: Fresno)

Daniel Babshoff (Kerman USD), 2015
Valerie F. Davis (Fresno USD), 2015 ◆
Brian Heryford (Clovis USD), 2015 ◆
James Karle (Sanger USD), 2015
Kathy Spate (Caruthers USD), 2015
Randel M. Yano (Clay Joint ESD), 2015

Gilbert F. Coelho (Firebaugh-Las Deltas USD), 2016

Carol Mills (Fresno USD), 2016 ◆

Elizabeth J. Sandoval (Clovis USD), 2016

Norman Saude (Sierra USD), 2016

Subregion 10-C (County: Kings)

Karen Frey (Corcoran Joint USD) 2016

County Delegate

Barbara Thomas (Fresno COE), 2016

REGION 11 – 9 Delegates (9 elected)

Subregion 11-A (County: Santa Barbara)

Janet Zilli (Orcutt Union ESD), 2015

Jack Garvin (Santa Maria Joint Union HSD), 2016

Subregion 11-B (County: Ventura)

Christina Urias (Santa Paula Union HSD), 2015

John Walker (Ventura USD), 2015

Gregory Barker (Moorpark USD), 2016

Darlene A. Bruno (Hueneme ESD), 2016

Rob Collins (Simi Valley USD), 2016

Ana Del Rio-Barba (Oxnard ESD), 2016

County Delegate

Mark Lisagor (Ventura COE), 2015

REGION 12 – 13 Delegates (11 elected/2 appointed) ◆

Subregion 12-A (County: Tulare)

Cathy Mederos (Tulare Joint Union HSD), 2015

Dean Sutton (Exeter Union ESD), 2015

Donna Martin (Visalia USD), 2016

Pete Lara (Porterville USD), 2016

Subregion 12-B (County: Kern)

Linda Brenner (Panama-Buena Vista Union SD), 2015

Martha Miller (Kern Union HSD), 2015 ◆

Deanna Rodriguez-Root (Richland SD), 2015

Jeff Stone (Norris SD), 2015

Lillian Tafoya (Bakersfield City ESD), 2015

William (Bill) H. Farris (Sierra Sands USD), 2016

Scott Starkey (Southern Kern USD), 2016

Mike Williams (Kern Union HSD), 2016 ◆

County Delegate

Donald Cowan (Kern COE), 2016

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REGION 15 – County: Orange

24 Delegates (18 elected/6 appointed) ♦

Ginny Aitkens (Saddleback Valley USD), 2015 ♦
Bonnie Castrey (Huntington Beach Union HSD), 2015
Judith Edwards (Fountain Valley ESD), 2015
Karin Freeman (Placentia-Yorba Linda USD), 2015
Celia Jaffe (Huntington Beach City ESD), 2015
Jose F. Moreno (Anaheim City SD), 2015
Bao Nguyen (Garden Grove USD), 2015 ♦
Rob Richardson (Santa Ana USD), 2015 ♦
Robert A. Singer (Fullerton Joint Union HSD), 2015
Suzie R. Swartz (Saddleback Valley USD), 2015
Lynn Thornley (Fullerton SD), 2015
VACANT, 2015

Dana Black (Newport-Mesa USD), 2016
 Lauren Brooks (Irvine USD), 2016
 Meg Cutuli (Los Alamitos USD), 2016
 Judy Franco (Newport-Mesa USD), 2016
 Cecilia Inglesias (Santa Ana USD), 2016 ♦
 Lan Q. Nguyen (Garden Grove USD), 2016 ♦
 Annemarie Randle-Trejo (Anaheim Union HSD), 2016 ♦
 Rosemary Saylor (Huntington Beach City ESD), 2016
 Francine Scinto (Tustin USD), 2016
 Don Sedgwick (Saddleback Valley USD), 2016
 Michael Simons (Huntington Beach Union HSD), 2016

County Delegate

John (Jack) Bedell (Orange COE), 2015

REGION 16 – 20 Delegate (15 elected/5 appointed) ♦

Subregion 16-A (County: Inyo)

Susan Patton (Lone Pine USD), 2015

Subregion 16-B (County: San Bernardino)

Christina Cameron-Otero (Needles USD), 2015
Chuck Christie (Yucaipa-Calimesa Joint USD), 2015
Lorena Corona (Fontana USD), 2015 ♦
Tom Courtney (Lucerne Valley USD), 2015
Karen Gray (Silver Valley USD), 2015
Sylvia Orozco (Chino Valley USD), 2015 ♦
Sharon Perong (San Bernardino City USD), 2015 ♦
Kathy A. Thompson (Central ESD), 2015
Charles Uhalley (Chaffey Joint Union HSD), 2015
 Aynna Blackmon-Balogun (Fontana USD), 2016 ♦
 Barbara J. Dew (Victor Valley Union HSD), 2016
 Cathline Fort (Etiwanda ESD), 2016
 Karen S. Morgan (Victor ESD), 2016
 Caryn Payzant (Alta Loma ESD), 2016
 Lynda Savage (San Bernardino City USD), 2016 ♦
 Barbara Schneider (Helendale SD), 2016
 Jane D. Smith (Yucaipa-Calimesa Jt. USD), 2016
 Donna West (Redlands USD), 2016

As of 11/6/2014

Region 16 County Delegate

Mark Sumpter (San Bernardino COE), 2016

REGION 17 – County: San Diego

23 Delegates (17 elected/6 appointed) ♦

Kevin Beiser (San Diego USD), 2015 ♦
Marne Foster (San Diego USD), 2015 ♦
Twila Godley (Lakeside Union SD), 2015
Sharon C. Jones (San Diego COE), 2015
Janet W. Mulder (Jamul-Dulzura Union ESD), 2015
Dawn Perfect (Ramona USD), 2015
Penny Ranftle (Poway USD), 2015 ♦
Barbara Ryan (Santee ESD), 2015
Priscilla Schreiber (Grossmont Union HSD), 2015
Emma Turner (La Mesa-Spring Valley SD), 2015
VACANT (Sweetwater Union HSD), 2015 ♦

Elvia Aguilar (South Bay Union ESD) 2016
 Barbara Avalos (National SD), 2016
 Scott Barnett (San Diego USD), 2016 ♦
 Marissa A. Bejarano (Chula Vista ESD), 2016
 Katie Dexter (Lemon Grove SD), 2016
 Barbara Groth (San Dieguito Union HSD), 2016
 Adrienne Hakes (Oceanside USD), 2016
 Elizabeth Jaka (Vista USD), 2016
 Jay Petrek (San Marcos USD), 2016
 Richard Smith (Bonsall Union ESD), 2016
 VACANT (Sweetwater Union HSD), 2016 ♦

County Delegate

Susan Hartley (San Diego COE), 2015

REGION 18 – 21 Delegates (16 elected/5 appointed) ♦

Subregion 18-A (Riverside)

Alejandro Cassadas (Banning USD), 2015
Gayle A. Cloud (Riverside USD), 2015 ♦
Robin J. Crist (Murrieta Valley USD), 2015
Bruce N. Dennis (Riverside COE), 2015
Memo Mendez (Jurupa USD), 2015
Bill Newberry (Corona-Norco USD), 2015 ♦
John I. Norman (San Jacinto USD), 2015
Sandra Tusant (Romoland ESD), 2015
Tracey B. Vackar (Moreno Valley USD), 2015 ♦
 Stanley Crippen (Lake Elsinore USD), 2016
 Tom Elliott (Perris ESD), 2016
 Tom R. Hunt (Riverside USD), 2016 ♦
 Ben Johnson, II (Alvord USD), 2016
 Marla Kirkland (Val Verde USD), 2016
 Elizabeth Romero (Riverside COE), 2016
 Cathy L. Sciortino (Corona-Norco USD), 2016 ♦
 Susan Scott (Lake Elsinore USD), res 2016

Only highlighted Delegates are up for re-election or re-appointment in 2015. Please contact Delegates and confirm if they wish to continue serving on the Delegate Assembly before nominating them. If you have any questions, please contact Charlyn Tuter in Leadership Services at ctuter@csba.org or (800) 266-3382.

Subregion 18-B (Imperial)

Ralph Fernandez (Brawley Union HSD), 2015

Diahna Garcia-Ruiz (Heber ESD), 2015

Frances Terrazas (El Centro ESD), 2016

Region 18 County Delegate

Jay Hoffman (Riverside COE), 2016

REGION 20 – County: Santa Clara

12 Delegates (11 elected/1 appointed) ♦

Danielle Cohen (Campbell Union ESD), 2015

Richard M. Garcia (San Jose USD), 2015 ♦

Albert Gonzalez (Santa Clara USD), 2015

Anjali Kausar (Cupertino Union SD), 2015

Nancy A. Newton (Fremont Union HSD), 2015

George Sanchez (Franklin-McKinley ESD), 2015

Robert Benevento (Morgan Hill USD), 2016

Frank Biehl (East Side Union HSD), 2016

Cynthia Chang (Los Gatos-Saratoga Joint Union HSD), 2016

Judy Hannemann (Mountain View-Los Altos Union HSD), 2016

Pamela Parker (Campbell Union HSD), 2016

County Delegate

Darcie Green (Santa Clara COE), 2016

REGION 21 – County: Los Angeles

7 Delegates (7 appointed) ♦

Tamar Galatzan (Los Angeles USD), 2015 ♦

Monica Garcia (Los Angeles USD), 2017 ♦

George McKenna (Los Angeles USD), 2015 ♦

Monica Ratliff (Los Angeles USD), 2017 ♦

Richard Vladovic (Los Angeles USD), 2015 ♦

Steven Zimmer (Los Angeles USD), 2017 ♦

County Delegate

Douglas Boyd (Los Angeles COE), 2016 ♦

REGION 22 – North Los Angeles – Los Angeles County

6 Delegates (6 elected)

John K. Curiel (Westside Union ESD), 2015

R. Michael Dutton (Antelope Valley Union SD), 2015

Steven M. Sturgeon (William S. Hart Union HSD), 2015

Gwendolyn Farrell (Westside Union ESD), 2016

Christy Smith (Newhall SD), 2016

Donita J. Winn (Antelope Valley Union HSD), 2016

REGION 23 – San Gabriel Valley and East Los Angeles County

16 Delegates (13 elected/3 appointed) ♦

Subregion 23-A

Robert Gin (Alhambra USD), 2015

Richard A. Sonner (South Pasadena USD), 2015

Bob Bruesch (Garvey ESD), 2016

Gary Scott (San Gabriel USD), 2016

Alexandra Zucco (Monrovia USD), 2016

Subregion 23-B

Hector Chacon (Montebello USD), 2015 ♦

Heidi L. Gallegos (Rowland USD), 2015

Helen Hall (Walnut Valley USD), 2015

Benjamin Cardenas, (Montebello USD), 2016 ♦

Anthony Duarte (Hacienda La Puente USD), 2016

Subregion 23-C

Christina Lucero (Baldwin Park USD), 2015

Eileen Miranda Jimenez (West Covina USD), 2015

Roberta A. Perlman (Pomona USD), 2015 ♦

Xilonin Cruz-Gonzalez (Azusa USD), 2016

Camie Poulos (West Covina USD), 2016

Paul Solano (Bassett USD), 2016

REGION 24 – Southwest Crescent – Los Angeles County

16 Delegates (14 elected/2 appointed) ♦

Maynard G. Law (ABC USD), 2015

Mark Morris (Downey USD), 2015

Sharon Stys (South Whittier ESD), 2015

Sophia M. Tse (ABC USD), 2015

Ana Valencia (Norwalk-La Mirada USD), 2015

Felton Williams (Long Beach USD), 2015 ♦

VACANT, 2015

Leighton Anderson (Whittier Union HSD), 2016

Paul Gardiner (East Whittier City ESD), 2016

Eugene M. Krank (Hawthorne SD), 2016

Sylvia V. Macias (South Whittier ESD), 2016

John McGinnis (Long Beach USD), 2016 ♦

Karen Morrison (Norwalk-La Mirada USD 2016

Ann Phillips (Lawndale ESD), 2016

Margarita Rios (Norwalk-La Mirada USD), 2016

Emma Sharif (Compton USD), 2016



October 22, 2014

MEMORANDUM

TO: CCBE and CSBA Member County Boards of Education

FROM: Heidi Weiland, CCBE President

SUBJECT: Nominations and Elections for CSBA County Delegate and CCBE Director

Per CSBA's President Josephine Lucey's memo, the call for nominations for CSBA's Delegate Assembly seats is now open through **Wednesday, January 7, 2015**. If elected, in addition to serving on CSBA's Delegate Assembly, regional county Delegates also serve as Regional Directors for a two-year term on the California County Boards of Education (CCBE) Board of Directors.

CCBE is a statewide organization that is a section of CSBA and partners with them in providing educational leadership serving the unique needs of all county boards of education in California. CCBE's mission is to provide leadership and services to county board of education members enabling them to help every student succeed. Members of the CCBE Board of Directors establish the vision, mission and goals for CCBE, and ensure that activities and programs remain focused on those goals and the issues identified in CCBE's Legislative Policy Platform. Individuals who are committed and involved in providing educational leadership are needed.

Some of the CCBE's Board of Directors roles and responsibilities are to:

- Provide two-way communication with local county board members and school districts.
- Support and participate in CCBE's and CSBA's activities and events.
- Adopt the Budget, Legislative Policy Platform, Bylaws and Standing Rules.
- Select and endorse a candidate for the CSBA Director-at-Large, County position.

There are three CCBE Board of Directors meetings per year; one on May 17, 2015 held in conjunction with the CSBA Delegate Assembly meeting in Sacramento, one on September 11, 2015 prior to the CCBE Fall Conference in Monterey, and one on December 3, 2015 held in conjunction with the CSBA Annual Education Conference in San Diego. It is important that in addition to serving on the CSBA Delegate Assembly, regional county Delegates also make a commitment to serve on the CCBE Board of Directors and attend all scheduled meetings.

For further information about CCBE, please go to www.theccbe.org or contact Charlyn Tuter, at ctuter@csba.org or (800) 266-3382 ext. 3281.

Thank you.

Board Meeting Agenda
December 8, 2014

Topic: Library Book Reconsideration

Presented by: Antonio Garcia, Assistant Superintendent, Curriculum and Instruction K-12

Responsible
Cabinet Member: Antonio Garcia, Assistant Superintendent, Curriculum and Instruction K-12

Type of Item: Action

Short Description: Discussion and consideration of whether to adopt report of Library Reconsideration Committee or make other decision and/or take other action regarding the book, *The Fault in Our Stars*.

DESCRIPTION OF AGENDA ITEM:

The District has recently updated its Board Policy and Rules and Regulations concerning the selection and reconsideration of learning and library resources. As a result, the Board now has the ability to consider and take action on the book, *The Fault in Our Stars*. As the Board knows, the Reconsideration Committee previously recommended that this book be removed from District middle school libraries. We note that the book was actually only present in one middle school library.

Staff has provided information for the Board’s consideration. The Board has the ability to act in accordance with the recommendations made by the Committee, or to take other action within the purview of the Board.

FISCAL IMPACT: None

RECOMMENDATION: It is recommended that the Board of Education discuss and consider whether or not to adopt the report of the Library Reconsideration Committee or make another decision and/or take other action regarding the book, *The Fault In Our Stars*.

ADDITIONAL MATERIAL: None