

RESOLUTION NO. _____

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

* * * * *

**RESOLUTION AUTHORIZING THE ISSUANCE AND SALE
OF REDWOOD CITY SCHOOL DISTRICT 2011-12 TAX AND REVENUE
ANTICIPATION NOTES IN AN AMOUNT NOT TO EXCEED \$20,000,000**

RESOLVED, by the Board of Supervisors of San Mateo County, California, that:

WHEREAS, pursuant to Article 7.6 (commencing with section 53850) of Chapter 4 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Law"), school districts organized and existing under the laws of the State of California are authorized to borrow money by the issuance of temporary notes, the proceeds of which may be used and expended for any purpose for which the school district is authorized to spend moneys;

WHEREAS, pursuant to the Law, the temporary notes may be issued in the name of a school district by the board of supervisors of the county, whose county superintendent has jurisdiction over that school district, as soon as possible following receipt of a resolution of the governing board of that school district requesting the borrowing;

WHEREAS, the Redwood City School District (the "District") has not been accorded fiscal accountability status under Section 42647 or 42650 of the Education Code; and

WHEREAS, on September 13, 2011, pursuant to the District's Resolution No. 4 passed on August 24, 2011, the Board of Supervisors (the "Board") adopted its Resolution No. 4, entitled "Resolution Authorizing the Issuance and Sale of Redwood City School District 2011-12 Tax and Revenue Anticipation Notes in an Amount Not to Exceed \$25,000,000" (the "Prior Notes Resolution"); and

WHEREAS, on October 11, 2011, the Board issued tax and revenue anticipation notes in the name of the District in the amount of \$12,500,000 (the "Prior Notes");

WHEREAS, the District secured the Prior Notes with a pledge of and first lien on Pledged Revenues and unrestricted moneys, in each case as defined in the Prior Notes Resolution, consisting generally of taxes, income, revenue and other moneys intended as receipts for the general fund of the District during fiscal year 2011-12 and that are generally available for the payment of current expenses and other obligations of the District; and

WHEREAS, to further secure the Prior Notes, the District created a Repayment Fund for the security of the Prior Notes (the "Prior Notes Repayment Fund"), and

covenanted to fund the Prior Notes Repayment Fund from the first unrestricted moneys to be received by the District in the months of January 2012, April 2012, and June 2012, in an amount equal to the principal amount of the Prior Notes, plus interest due thereon at maturity; and

WHEREAS, the Board has received from the Board of Trustees of the District a resolution (the "District Resolution") finding and determining that it is desirable that the District borrow additional funds in an amount not to exceed \$20,000,000 with respect to fiscal year 2011-12 for authorized purposes of the District, and requesting that the Board for that purpose authorize the issuance and sale of additional tax and revenue anticipation notes with respect to fiscal year 2011-12 in the name of the District in the principal amount of not to exceed \$20,000,000, under and pursuant to the provisions of the Law;

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED:

Section 1. Recitals True and Correct. All the recitals herein set forth are true and correct and the Board so finds and determines.

Section 2. Approval of Request of District. The Board hereby approves the request of the District for the Board to issue notes in its name.

Section 3. Limitation on Maximum Amount. The aggregate principal amount of notes issued pursuant hereto and to the Prior Notes Resolution, when added to the interest payable thereon, shall not exceed eighty-five percent (85%) of the estimated amount of the uncollected taxes, revenue and other moneys of the District for the general fund of the District attributable to fiscal year 2011-12, and available for the payment of said notes and the interest thereon (as hereinafter provided).

Section 4. Authorization and Terms of Notes. Solely for the payment of current expenses, capital expenditures and other obligations payable from the general fund of the District during or allocable to fiscal year 2011-12, and pursuant to the District Resolution but not any common plan of financing, the Board hereby determines to and shall borrow the aggregate principal sum of not to exceed \$20,000,000 in the name of the District. Such borrowing shall be by the issuance of temporary notes under the Law, designated "Redwood City School District (San Mateo County, California) 2011-12 Tax and Revenue Anticipation Notes" (the "Notes"). The Notes shall be dated as of their date of delivery, shall mature (without option of prior redemption) not more than 13 months from such date of delivery, and shall bear interest from their date, payable not more than one year from the issue date, if the Note has a term of 13 months, and at maturity, computed on a 30-day month/360-day year basis. Both the principal of and interest on the Notes shall be payable in lawful money of the United States of America, as described below.

Section 5. Form of Notes; Book Entry Only System. The Notes shall be issued in fully registered form, without coupons, and shall be substantially in the form and substance set forth in Exhibit A attached hereto and by reference incorporated herein, the blanks in said form to be filled in with appropriate words and figures. The Notes

shall be numbered from 1 consecutively upward and shall be in the denomination of \$1,000 each or any integral multiple thereof.

“CUSIP” identification numbers shall be imprinted on the Notes, but such numbers shall not constitute a part of the contract evidenced by the Notes, and any error or omission with respect thereto shall not constitute cause for refusal of any purchaser to accept delivery of and pay for the Notes. In addition, failure on the part of the Board to use such CUSIP numbers in any notice to registered owners of the Notes shall neither constitute an event of default or any violation of the Board’s contract with such registered owners nor impair the effectiveness of any such notice.

Except as provided below, the owner of all the Notes shall be The Depository Trust Company, New York, New York (“DTC”), and the Notes shall be registered in the name of Cede & Co., as nominee for DTC. The Notes shall be initially executed and delivered in the form of a single fully registered Note in the full aggregate principal amount of the Notes. The Board may treat DTC (or its nominee) as the sole and exclusive owner of the Notes registered in its name for all purposes of this Resolution, despite any notice to the contrary. The Board shall not have any responsibility or obligation to any participant of DTC (a “Participant”), any person claiming a beneficial ownership interest in the Notes under or through DTC or a Participant, or any other person not shown on the register of the Board as being an owner and may rely on the accuracy of any records maintained by DTC or any Participant or the payment by DTC or any Participant of any principal or interest with respect to the Notes. The County Treasurer-Tax Collector (the “Treasurer”), as paying agent, shall pay all principal of and interest on the Notes only to DTC, and all such payments shall be valid and effective to fully satisfy and discharge the Board’s obligations with respect to the principal of and interest on the Notes to the extent of the sum or sums so paid. Except under the conditions noted below, no person other than DTC shall receive a Note. Upon delivery by DTC to the Board of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the term “Cede & Co.” in this Resolution shall refer to such new nominee.

If the Board determines the ability to obtain Notes to be in the best interest of the beneficial owners and delivers a written certificate to DTC to that effect, DTC shall notify the Participants of the availability through DTC of Notes. In such event, the Board shall issue, transfer and exchange Notes as requested by DTC and any other owners in appropriate amounts.

DTC may determine to discontinue providing its services with respect to the Notes at any time by giving notice to the Board and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the Board shall be obligated to deliver Notes as described in this Resolution. On request by DTC, the Board will cooperate with DTC in taking appropriate action after reasonable notice to (a) make available one or more separate Notes evidencing the Notes to any DTC Participant having Notes credited to its DTC account or (b) arrange for another securities depository to maintain custody of Certificates evidencing the Notes.

Notwithstanding any other provision of this Resolution to the contrary, so long as any Note is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal of and interest on such Note (including, among others, those required at maturity) and all notices with respect to such Note shall be made and given to DTC as provided in the representation letter delivered on the date of issuance of the Notes.

Section 6. Use of Proceeds; Investment of Proceeds. The moneys so borrowed shall be deposited in the Treasury of the County in a proceeds fund (the "Proceeds Fund") to the credit of the District, to be withdrawn, used and expended by the District for any authorized purpose to expend funds from the general fund of the District, including, but not limited to, current expenses, capital expenditures and the discharge of any obligation or indebtedness of the District. The County makes no assurance regarding the use of the proceeds of the Notes.

Moneys held in the Proceeds Fund shall be invested by the County in any one or more investments generally permitted for school districts under the laws of the State of California, consistent with the investment policy of the County and this Resolution (the "Proceeds Fund Permitted Investments").

Section 7. Security. The principal amount of the Notes, together with the interest thereon, shall be payable from taxes, income, revenue and other moneys intended as receipts for the general fund of the District received or accrued during fiscal year 2011-2012 that are generally available for the payment of expenses and other obligations of the District attributable to such fiscal year (the "Pledged Revenues"), including, to the extent allowed by applicable law, the apportionments to be made to the District by the State of California that are allocable to fiscal year 2011-2012, but are currently unpaid and scheduled to be paid during fiscal year 2012-13 ("Deferred State Payments"), but subject to the prior lien on Pledged Revenues granted to the holders of the Prior Notes. The District has pledged the Deferred State Revenues to repay the principal of and interest on the Notes. To the extent the Notes are not paid from the Deferred State Payments, they shall be paid from Unrestricted Moneys (as herein defined). The principal of the Notes and the interest thereon shall constitute a lien and charge thereon and shall be paid from the Deferred State Payments. To the extent not so paid from the Deferred State Payments, the Notes shall be paid from Unrestricted Moneys (as defined herein).

The term "Unrestricted Moneys" shall mean taxes, income, revenue and other moneys intended as receipts for the general fund of the District (other than Deferred State Payments) received or accrued during fiscal year 2011-12 and that are generally available for the payment of current expenses and other obligations of the District, exclusive of moneys held in the Prior Notes Repayment Fund and any other Unrestricted Moneys needed to repay the Prior Notes.

Section 8. Repayment Fund; Investment of Repayment Fund. There is hereby created a special fund to be held on behalf of the District by the Treasurer, separate and distinct from all other County and District funds and accounts designated the "Redwood City School District (San Mateo County, California) 2011-12 Tax and

Revenue Anticipation Notes Repayment Fund” (the “Repayment Fund”) and applied as directed in this Resolution. Any money placed in the Repayment Fund shall be for the benefit of the registered owners of the Notes, and until the Notes and all interest thereon are paid or until provision has been made for the payment of the Notes at maturity with interest to maturity, the moneys in the Repayment Fund shall be applied solely for the purposes for which the Repayment Fund is created; provided, however, that any interest earned on amounts deposited in the Repayment Fund shall periodically be transferred to the general fund of the District.

The District has covenanted to deposit Deferred State Payments into the Repayment Fund, as described in the Preliminary Official Statement prepared by the District in connection with the Notes, until the Repayment Fund contains an amount equal to the principal amount of the Notes, plus the interest due on the Notes at maturity. To the extent Deferred State Payments are not paid to the District in an aggregate amount equal to the principal amount of the Notes, plus the interest due on the Notes at maturity, the District has covenanted to deposit Unrestricted Moneys into the Repayment Fund to cure such shortfall.

Subject to the final paragraph of Section 5 hereof, on the maturity date of the Notes, the Treasurer shall wire to DTC or transfer to any other owners of the Notes, as applicable, the moneys in the Repayment Fund necessary to pay the principal of and interest on the Notes at maturity. Any moneys remaining in the Repayment Fund after the Notes and the interest thereon have been paid, or provision for such payment has been made, shall be transferred to the District’s general fund.

Moneys held in the Repayment Fund shall be invested by the County in any one or more investments generally permitted to school districts under the laws of the State of California, consistent with the investment policy of the County and this Resolution (the “Repayment Fund Permitted Investments”).

Section 9. Execution of Notes. The Notes shall be executed in the name of the District, with the manual signature of the Treasurer or one or more of his or her duly authorized deputies, and the manual or facsimile counter-signature of the Clerk of the Board, or one or more of his or her duly authorized deputies (although at least one of such signatures shall be manual) with the seal of the Board impressed thereon, and those officers are hereby authorized to cause the blank spaces of the Notes to be filled in as may be appropriate.

Section 10. Transfer of Notes. Any Note may, in accordance with its terms, but only if the District determines to no longer maintain the book entry only status of the Notes, DTC determines to discontinue providing such services and no successor securities depository is named or DTC requests the Treasurer to deliver Note certificates to particular DTC Participants, be transferred, upon the books required to be kept pursuant to the provisions of Section 12 hereof, by the person in whose name it is registered, in person or by his or her duly authorized attorney, upon surrender of such Note for cancellation at the office of the Treasurer, accompanied by delivery of a written instrument of transfer in a form approved by the Treasurer, duly executed.

Whenever any Note or Notes shall be surrendered for transfer, the Treasurer shall execute and deliver a new Note or Notes, for like aggregate principal amount.

Section 11. Exchange of Notes. Notes may be exchanged at the office of the Treasurer for a like aggregate principal amount of Notes of authorized denominations and of the same maturity.

Section 12. Note Register. If the book entry only system is no longer in effect, the Treasurer shall keep or cause to be kept sufficient books for the registration and transfer of the Notes and, in such case, the Treasurer shall register or transfer or cause to be registered or transferred, on those books, Notes as herein before provided. While the book entry only system is in effect, no books are required as the Notes will be represented by one Note registered in the name of Cede & Co., as nominee for DTC.

Section 13. Temporary Notes. The Notes may be initially issued in temporary form exchangeable for definitive Notes when ready for delivery. The temporary Notes may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the Treasurer (subject to Section 5 hereof), and may contain any reference to such provisions of this Resolution as may be appropriate. Every temporary Note shall be executed by the Treasurer upon the same conditions and in substantially the same manner as the definitive Notes. If the Treasurer issues temporary Notes, he or she will execute and furnish definitive Notes without delay, and thereupon the temporary Notes may be surrendered for cancellation, in exchange therefor at the office of the Treasurer and the Treasurer shall deliver in exchange for such temporary Notes an equal aggregate principal amount of definitive Notes of authorized denominations. Until so exchanged, the temporary Notes shall be entitled to the same benefits pursuant to this Resolution as definitive Notes executed and delivered hereunder. Any costs borne by the County for the exchange of the Notes will be reimbursed by the District.

Section 14. Notes Mutilated, Lost, Destroyed or Stolen. If any Note shall become mutilated, the Treasurer, at the expense of the registered owner of that Note, shall execute and deliver a new Note of like maturity and principal amount in exchange and substitution for the Note so mutilated, but only upon surrender to the Treasurer of the Note so mutilated. Every mutilated Note so surrendered to the Treasurer shall be canceled by it and delivered to, or upon the order of, the Treasurer. If any Note shall be lost, destroyed or stolen, then evidence of such loss, destruction or theft may be submitted to the Treasurer. If that evidence is satisfactory to the Treasurer and the Treasurer shall have received an indemnity satisfactory to it, then the Treasurer, at the expense of the registered owner, shall execute and deliver a new Note of like maturity and principal amount in lieu of and in substitution for the Note so lost, destroyed or stolen. The Treasurer may require payment of a sum not exceeding the actual cost of preparing each new Note issued under this Section 14 and of the expenses that are incurred by the Treasurer in the premises. Any Note issued under the provisions of this Section 14 in lieu of any Note alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the Board whether or not the Note 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 Resolution with all

other Notes. This Section 14 will not be in effect so long as DTC's book-entry system is utilized.

Section 15. Sale of Notes. The Board acknowledges that the District Resolution provides that the Notes shall be sold by competitive bid or by negotiated sale, as determined to be most beneficial to the District by the Authorized Officer (as defined in the District Resolution) upon the advice of the Financial Advisor (as defined in the District Resolution) and in consultation with the County Treasurer-Tax Collector.

Section 16. Preparation of the Notes; Execution of Closing Documents. Jones Hall, A Professional Law Corporation, as bond counsel to the District, is directed to cause suitable Notes to be prepared showing on their face that the same bear interest at the rate aforesaid, and to cause the blank spaces therein to be filled in to comply with the provisions of this Resolution and in accordance with the identified purchaser of the Notes, and to procure their execution by the proper officers, and to cause the Notes to be delivered when so executed to DTC on behalf of the identified purchaser therefor upon the receipt of the purchase price by the Treasurer on behalf of the District.

The Treasurer or any other officer of the County is further authorized and directed to make, execute and deliver to the purchaser or purchasers of the Notes a (a) certificate in the form customarily required by purchasers of bonds of public corporations generally, certifying to the genuineness and due execution of the Notes, and (b) receipt in similar form evidencing the payment of the purchase price of the Notes, which receipt shall be conclusive evidence that said purchase price of the Notes has been paid and has been received on behalf of the District. Any purchaser or subsequent taker or holder of the Notes is hereby authorized to rely, and shall be justified in relying, on any such certificate or receipt with respect to the Notes. Such officers and any other officers of the District or of the County are hereby authorized to execute any and all other documents required to consummate the sale and delivery of the Notes.

Section 17. Limited Liability. Notwithstanding anything to the contrary contained herein, in the Notes or in any other document mentioned herein, none of the County, the Board or any County employee shall have any liability hereunder, by reason hereof or in connection with the transactions contemplated hereby, and the Notes shall be payable solely from the moneys of the District designated in Section 7 hereof.

Section 18. Indemnification. The County, including its Board, officers, officials, agents and employees, shall undertake only those duties of the County under this Resolution that are specifically set forth in this Resolution, and even during the continuance of an event of the District's default with respect to the repayment of the Notes, including interest thereon, no implied covenants or obligations shall be read into this Resolution against the County, including its Board, officers, officials, agents and employees. The District has agreed to indemnify and hold harmless, to the extent permitted by law, the County and its officers and employees (the "Indemnified Parties"), against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Parties may become subject, because of action or inaction related to the Notes. The District has also agreed to reimburse the Indemnified Parties for any legal

or other expenses incurred in connection with investigating or defending any such claims or actions.

* * * * *

EXHIBIT A
FORM OF NOTE

R-1

***\$ _____ ***

Board of Supervisors of San Mateo County, California
in the Name of the
REDWOOD CITY SCHOOL DISTRICT
(San Mateo County, California)

2011-12 TAX AND REVENUE ANTICIPATION NOTE

INTEREST RATE:	MATURITY DATE:	ISSUE DATE:	CUSIP:
_____ %	_____, 2012	_____, 2012	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: _____ DOLLARS

The REDWOOD CITY SCHOOL DISTRICT, San Mateo County, State of California (the "District"), acknowledges itself indebted, and promises to pay, to the Registered Owner, or registered its assigns (the "Owner"), on the Maturity Date the Principal Sum and interest thereon, at the rate per annum calculated on the basis of a 360-day year comprised of twelve 30-day months, in each case, as stated above, in lawful money of the United States of America. Both the principal of and interest on this Note shall be payable at maturity to the Owner.

It is hereby certified, recited and declared that this Note is one of an authorized issue of notes in the aggregate principal amount of _____ dollars (\$_____), all of like tenor, issued pursuant to the provisions of a resolution of the Board of Supervisors (the "Board") of San Mateo County (the "County") duly passed and adopted on April 24, 2012 (the "Resolution"), and pursuant to Article 7.6 (commencing with section 53850) of Chapter 4, Part 1, Division 2, Title 5, of the California Government Code, that all conditions, things and acts required to exist, happen and be performed precedent to and in the issuance of this Note exist, have happened and have been performed in regular and due time, form and manner as required by law, and that this Note, together with all other indebtedness and obligations of the District, does not exceed any limit prescribed by the Constitution or statutes of the State of California.

The principal amount of the Notes, together with the interest thereon, is secured by a pledge of and first lien and charge against the taxes, income, revenue and other moneys intended as receipts for the general fund of the District allocable to fiscal year 2011-12 that are generally available for the payment of expenses and other obligations of the District attributable to such fiscal year (the "Pledged Revenues"), including the

apportionments to be made to the District by the State of California that are allocable to fiscal year 2011-12, but are currently unpaid ("Deferred State Payments"), and scheduled to be paid during fiscal year 2012-13. To the extent not so paid from the Pledged Revenues, the Notes shall be paid from any other moneys of the District lawfully available therefor. In the event that there are insufficient Unrestricted Moneys received by the District to permit the deposit in the Repayment Fund (as defined in the Resolution) of the full amount of the Pledged Revenues to be deposited as scheduled, then the amount of any deficiency shall be satisfied and made up from any other moneys of the District received or accrued in fiscal year 2011-12 and lawfully available for the repayment of the Notes and interest thereon.

The term "unrestricted moneys" shall mean taxes, income, revenue and other moneys intended as receipts for the general fund of the District and which are generally available for the payment of current expenses and other obligations of the District.

The District has covenanted to deposit Deferred State Payments into the Repayment Fund, as described in the Preliminary Official Statement prepared by the District in connection with the Notes, until the Repayment Fund contains an amount equal to the principal amount of the Notes, plus the interest due on the Notes at maturity. To the extent Deferred State Payments are not paid to the District in an aggregate amount equal to the principal amount of the Notes, plus the interest due on the Notes at maturity, the District has covenanted to deposit Unrestricted Moneys into the Repayment Fund to cure such shortfall.

The Notes are issuable as fully registered notes, without coupons, in denominations of \$1,000 each or any integral multiple thereof. Subject to the limitations and conditions as provided in the Resolution, Notes may be exchanged for a like aggregate principal amount of Notes of other authorized denominations and of the same maturity.

The Notes are not subject to redemption prior to maturity.

This Note is transferable by the Owner hereof, but only under the circumstances, in the manner and subject to the limitations provided in the Resolution. Upon registration of such transfer a new Note or Notes, 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 Note.

The Board may treat the Owner hereof as the absolute owner hereof for all purposes, and the Board shall not be affected by any notice to the contrary.

Unless this Note is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the County for registration of transfer, exchange or payment, and any Note issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE

HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL in as much as the registered owner hereof, Cede & Co., has an interest herein.

REDWOOD CITY SCHOOL DISTRICT
COUNTY OF SAN MATEO
STATE OF CALIFORNIA
2011-12 TAX AND REVENUE ANTICIPATION NOTE

IN WITNESS WHEREOF, the Board of Supervisors of San Mateo County, California has caused this Note to be issued in the name of the District and to be executed by the manual signature of the Treasurer and countersigned by the facsimile signature of the Clerk of the Board, all as of the Issue Date stated above.

COUNTY OF SAN MATEO

By _____ [Signature]
Treasurer-Tax Collector

(S E A L)
Countersigned:

Clerk of the Board of Supervisors

ASSIGNMENT

For value received the undersigned hereby sells, assigns and transfers unto

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within registered Note and hereby irrevocably constitute(s) and appoints(s) _____
_____ attorney, to
transfer the same on the Note register of the Treasurer with full power of substitution in
the premises.

Dated: _____

Signature:

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

Signature Guaranteed:

Note: Signature(s) must be guaranteed by a qualified guarantor.