

BOARD OF EDUCATION
OF THE
SACRAMENTO CITY UNIFIED SCHOOL DISTRICT

RESOLUTION NO. 2653

RESOLUTION PROVIDING FOR THE BORROWING OF FUNDS FOR FISCAL YEAR 2010-11 AND THE ISSUANCE AND SALE OF THE SACRAMENTO CITY UNIFIED SCHOOL DISTRICT 2010-11 TAX AND REVENUE ANTICIPATION NOTES THEREFOR APPROVING THE FORMS OF A NOTE PURCHASE AGREEMENT AND AN OFFICIAL STATEMENT FOR SAID NOTES; PROVIDING FOR CONTINUING DISCLOSURE WITH RESPECT TO SAID NOTES AND AUTHORIZING OTHER ACTIONS IN CONNECTION THEREWITH

WHEREAS, pursuant to Sections 53850 to 53858, both inclusive, of the California Government Code, being Article 7.6, Chapter 4, Part 1, Division 2, Title 5 thereof (the "Law"), the Board of Education (the "Board") of the Sacramento City Unified School District (the "District") has found and determined that the sum of not to exceed \$50,000,000 is needed by the District in Fiscal Year 2010-11 to satisfy obligations of the District payable from the General Fund of the District during Fiscal Year 2010-11 before the receipt of taxes, income, revenue, cash receipts and other moneys of the District to be received for or to accrue to the General Fund of the District in Fiscal Year 2010-11 that will be available for such purpose, and that it is necessary that such sum be borrowed for such purpose by the issuance of temporary notes therefor in anticipation of such receipt; and

WHEREAS, the District intends to borrow such sum for such purpose by the issuance and sale of the Notes (as hereinafter defined); and

WHEREAS, it appears, and the Board hereby finds and determines, that the principal amount of such Notes, when added to the interest payable thereon, does not exceed 85% of the estimated amount of the uncollected taxes, income, revenue, cash receipts and other moneys of the District anticipated to be received for or to accrue to the General Fund of the District in Fiscal Year 2010-11 that will be available for the payment of the interest on and the principal of such Notes; and

WHEREAS, no money has heretofore been borrowed by the District through the issuance of any temporary notes in anticipation of the receipt of, or payable or secured by, any taxes, income, revenue, cash receipts or other moneys of the District to be received for or to accrue to the General Fund of the District in Fiscal Year 2010-11; and

WHEREAS, pursuant to the Law, certain taxes, income, revenue, cash receipts and other moneys of the District which will be received for or accrue to the General Fund of the District in Fiscal Year 2010-11 can be pledged for the payment of the interest on and the principal of such Notes; and

WHEREAS, this Board of Education deems it necessary and desirable and in the best interests of the District to authorize the sale of said notes by a negotiated sale to E.J. De La Rosa & Co., Inc. (the "Underwriter"); and

WHEREAS, there have been submitted to this Board of Education, and are now on file with the Clerk of this Board of Education, forms of a Paying Agent Agreement, a Note Purchase Agreement, an Official Statement and a Continuing Disclosure Certificate with respect to and describing said notes; and

WHEREAS, the District has been accorded fiscal accountability status pursuant to Section 42650 of the Education Code of the State of California;

NOW, THEREFORE, THE BOARD OF EDUCATION OF THE SACRAMENTO CITY UNIFIED SCHOOL DISTRICT HEREBY FINDS, DETERMINES, DECLARES AND RESOLVES AS FOLLOWS:

Section 1. Recitals. All of the recitals hereinabove set forth are true and correct, and the Board so finds and determines.

Section 2. Amount of Borrowing; Terms of Notes; Payment. Solely for the purpose of anticipating taxes, income, revenue, cash receipts and other moneys of the District to be received for or to accrue to the General Fund of the District in Fiscal Year 2010-11, the District hereby determines to and shall borrow an aggregate principal sum not to exceed \$50,000,000 by the issuance and sale of temporary notes under the Law, designated the "Sacramento City Unified School District 2010-11 Tax and Revenue Anticipation Notes" (the "Notes").

The Superintendent of the District, the Chief Business Officer of the District, or another officer of the District whom either of the named officers shall designate in writing for this purpose (each, an "Authorized District Representative"), is hereby authorized to determine the aggregate principal amount of the Notes, which sum shall be no greater than the amount recited in the preceding paragraph, or such lesser amount as to which Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District with respect to the Notes ("Bond Counsel"), will deliver an approving opinion regarding the exclusion from gross income for federal tax purposes of interest thereon. The aggregate principal amount of the Notes so determined shall be specified in the Note Purchase Agreement described in Section 9 hereof.

The Notes shall be dated the date of their delivery. The Notes shall mature on a date which is no more than 12 months subsequent to their date of delivery, which date shall be determined at the time of sale thereof and set forth in Note Purchase Agreement. The Notes shall bear interest commencing on the date thereof, computed on the basis of a 360-day year consisting of twelve 30-day months, at the rate determined at the time of sale thereof and set forth in the Note Purchase Agreement. The principal of and interest on the Notes shall be payable in lawful money of the United States of America to the registered owners of the Notes, as shown on the registration books required to be maintained by the Director of Finance of the County, in Sacramento, California (the "Director of Finance"), pursuant to Section 3(f) hereof. The Notes

shall be issued in fully registered form in denominations of \$5,000 principal amount or any integral multiple thereof.

The Director of Finance is hereby requested and authorized to act as paying agent for the District with respect to the Notes. The form of Paying Agent Agreement, in substantially the form submitted to and on file with the Clerk of the Board, is hereby approved in such form with such additions or changes as the Authorized District Representative shall approve and the Authorized District Representative is hereby authorized to execute and deliver the Paying Agent Agreement on behalf of the District.

The principal amount of the Notes shall be payable only at the maturity thereof, without option of prior redemption. Interest on the Notes shall be payable at the maturity of the Notes.

Section 3. Registration and Transfer of Notes; Depository.

(a) The Notes shall be initially issued and registered in the name of "Cede & Co.," as nominee of The Depository Trust Company, New York, New York (the "Depository"), and registered ownership of the Notes, or any portion thereof, may not thereafter be transferred except:

(i) to any successor of the Depository, or its nominee, or of any substitute depository designated pursuant to clause (ii) of this subsection (a "Substitute Depository"); provided, that any successor of the Depository or a Substitute Depository shall be qualified under any applicable laws to provide the service proposed to be provided by it;

(ii) to any Substitute Depository not objected to by the Director of Finance, upon (1) the resignation of the Depository or its successor (or any Substitute Depository or its successor) from its functions as depository, or (2) a determination by the Director of Finance to substitute another depository for the Depository (or its successor) because it is no longer able to carry out its functions as depository; provided, that any such Substitute Depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(iii) to any person as provided below, upon (1) the resignation of the Depository or its successor (or any Substitute Depository or its successor) from its functions as depository, or (2) a determination by the Director of Finance to discontinue using a depository for the Notes.

(b) In the case of any transfer pursuant to clause (i) or clause (ii) of subsection (a) of this section, upon receipt of all outstanding Notes by the Director of Finance, new Notes (which the District shall prepare or cause to be prepared) shall be executed and delivered and registered in the name of such successor or such Substitute Depository, or its nominee, as the case may be. In the case of any transfer pursuant to clause (iii) of subsection (a) of this section, upon receipt of all outstanding Notes by the Director of Finance, new Notes (which the District shall prepare or cause to be prepared) shall be executed and delivered in such

denominations and registered in the names of such persons as are determined by the Director of Finance.

(c) The District and the Director of Finance shall be entitled to treat the person in whose name any Note is registered as the owner thereof for all purposes of this resolution and for all purposes of payment of the interest on and the principal of such Note, notwithstanding any notice to the contrary received by the District or the Director of Finance; and the District and the Director of Finance shall not have responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owners of the Notes, and neither the District nor the Director of Finance shall have any responsibility or obligation, legal or otherwise, to any such beneficial owners of the Notes or to any other party, except as they may be the registered owner of any Notes as provided in this resolution, and the Director of Finance may rely conclusively on the books maintained pursuant to subsection (f) of this section as to the identity of the registered owners of the Notes.

(d) Notwithstanding any other provisions of this resolution, so long as all outstanding Notes are registered in the name of the Depository or its registered assigns, the District and the Director of Finance shall cooperate with the Depository, as sole registered owner of all outstanding Notes, and its registered assigns in effecting payment of the interest on and the principal of the Notes at the times provided herein, by arranging for payment in such manner that funds for such payment are properly identified and are made available on the date such payments are due; all in accordance with the letter of representations from the District to the Depository, and the Director of Finance may rely on the provisions of such letter of representations to implement the foregoing procedures notwithstanding any inconsistent provisions contained herein.

(e) In the case of any transfer pursuant to clause (iii) of subsection (a) of this section, any Note may, in accordance with its terms, be transferred or exchanged for a like aggregate principal amount of Notes in authorized denominations, upon the books maintained by the Director of Finance pursuant to subsection (f) of this section, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Note for cancellation, and, in the case of a transfer, accompanied by delivery of a written instrument of transfer, duly executed in form approved by the Director of Finance.

Whenever any Note shall be surrendered for transfer or exchange, the District shall execute and the Director of Finance shall authenticate and deliver a new Note or Notes of authorized denominations for a like aggregate principal amount; provided, that the Director of Finance shall require the registered owner requesting such transfer or exchange to pay any tax or other governmental charge required to be paid with respect to such transfer or exchange.

(f) The Director of Finance will maintain or cause to be maintained, at his office in Sacramento, California, sufficient books for the registration and transfer of the Notes, which shall at all times be open to inspection by the District. Upon presentation for such purpose, the Director of Finance shall, under such reasonable regulations as he may prescribe, register or transfer the Notes on such books as hereinabove provided.

(g) If any Note shall become mutilated, the District shall execute, and the Director of Finance shall thereupon authenticate and deliver, a new Note of like tenor bearing a different number in exchange and substitution for the Note so mutilated, but only upon surrender to the Director of Finance of the Note so mutilated, and if any Note shall be lost, destroyed or stolen, evidence of the ownership thereof, and of such loss, destruction or theft, may be submitted to the District and the Director of Finance, and if such evidence is satisfactory to such officer and indemnity satisfactory to such officer shall be given, the District shall execute, and the Director of Finance shall thereupon authenticate and deliver, a new Note of like tenor and bearing a different number in lieu of and in substitution for the Note so lost, destroyed or stolen (or if any such Note shall have matured or shall be about to mature, instead of issuing a substitute Note, the Director of Finance may pay the same without surrender thereof); provided, that the Director of Finance may require payment by the registered owner of a Note of a sum not exceeding the actual cost of preparing each new Note issued pursuant to this subsection and of the expenses which may be incurred by the District and the Director of Finance hereunder. Any Note issued under these provisions in lieu of any Note alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the District, whether or not the Note so alleged to be lost, destroyed or stolen shall be at any time enforceable by anyone, and shall be entitled to the benefits of this resolution with all other Notes secured by this resolution.

(h) All Notes surrendered for payment or registration of transfer, if surrendered to any person other than the Director of Finance shall be delivered to the Director of Finance and shall be promptly cancelled. The District may at any time deliver to the Director of Finance for cancellation any Notes previously authenticated and delivered hereunder which the District may have acquired in any manner whatsoever, and all Notes so delivered shall promptly be cancelled by the Director of Finance. No Note shall be authenticated in lieu of or in exchange for any Notes cancelled as provided herein, except as expressly permitted hereunder. All cancelled Notes held by the Director of Finance shall be disposed of as directed by the District.

Section 4. Form of Notes. The Notes shall be issued 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 after the sale of the Notes and before the execution, authentication and delivery of the Notes.

Section 5. Notes Proceeds Fund. The Director of Finance is hereby requested to establish a separate account in the General Fund of the District for the purpose of ensuring the application of the proceeds received from the sale of the Notes for the purpose specified in Section 2 hereof for which the Notes are authorized to be issued, which separate account is hereby designated the "Sacramento City Unified School District 2010-11 Tax and Revenue Anticipation Notes Proceeds Fund" (the "Proceeds Fund"). The Director of Finance shall, immediately upon receiving the proceeds of the sale of the Notes, deposit in the Proceeds Fund all amounts representing the proceeds of the Notes received from such sale, and all amounts held in the Proceeds Fund shall be invested by the Director of Finance in (i) any investments permitted by Sections 53601 and following of the Government Code, notwithstanding any limitations contained therein as to the maximum proportion of such funds which may be invested in any particular investment, (ii) in investment agreements with a provider or provider's guarantor that is rated Aa by Moody's Investors Service, or equivalent rating of any rating agency

then rating the Notes, or (iii) in the Local Agency Investment Fund within the treasury of the State of California, insofar as such investments are permitted by the investment policy of the Director of Finance of the County; provided that no proceed shall be invested for a term that exceeds the term of the Notes. The proceeds of and earnings on all such investments shall be deposited in the Proceeds Fund.

All amounts in the Proceeds Fund shall be withdrawn and expended by the District for any purpose for which the District is authorized to expend funds from the General Fund of the District, but only after exhausting funds otherwise available for such purposes (which are not restricted funds) and only to the extent that on any given day such other funds are not then available; provided, that if on the date that is six months from the date of issuance of the Notes all proceeds of the Notes (including investment earnings thereon) shall not have been so withdrawn and spent (treating as unavailable amounts that otherwise would be available amounts but that are held or set aside in a reasonable working capital reserve not exceeding the amount set forth in the Tax Certificate executed by the District in connection with the issuance of the Notes, and in any event not exceeding 5% of the District's total working capital expenditures from its available funds in Fiscal Year 2009-10), the District shall promptly notify Bond Counsel and, to the extent of its power and authority, comply with instructions from Bond Counsel as to the means of satisfying the rebate requirements of Section 148 of the Internal Revenue Code of 1986 (the "Code"); and for purposes of this paragraph, the "proceeds" of the Notes means the initial offering price of the Notes to the public, as certified to the District by the purchaser(s) of the Notes, plus investment earnings thereon.

Section 6. Pledge of Revenues; Repayment Fund: (a) Unrestricted Revenues. The principal of and interest on the Notes shall be payable from taxes, income, revenue, cash receipts and other moneys of the District received or accrued in Fiscal Year 2010-11 for the General Fund of the District and lawfully available for the payment of current expenses and other obligations of the District (the "Unrestricted Revenues"). The Notes shall not constitute a debt of the County or the District and shall be payable only from funds of the District as provided herein.

(b) Covenant to Deposit Unrestricted Revenues; Pledge of Repayment Fund. As security for the payment of the principal of and interest on the Notes, the District hereby pledges and covenants to deposit or caused to be deposited in trust in a special fund designated as the "Sacramento City Unified School District 2010-11 Tax and Revenue Anticipation Note Repayment Fund" (the "Repayment Fund"), such amounts as shall be necessary to provide for payment of all such sums when due, on the dates and in the amounts, or in the proportions of the total amount due, as shall be specified in the Note Purchase Agreement described in Section 9 hereof, from the first Unrestricted Revenues received or accrued during each period specified in the Note Purchase Contract. The Authorized District Representative is hereby authorized to determine that the District shall set aside moneys in the Repayment Fund from the Unrestricted Revenues for repayment of the Notes in up to five periodic deposits; provided, that the last such deposit of funds received in Fiscal Year 2010-11 shall be made no later than the maturity date of the Notes. The Director of Finance is hereby requested to create and hold the Repayment Fund, acting as the responsible agent to maintain such fund until the payment of the principal of the Notes and the interest thereon.

The amounts pledged by the District for deposit into the Repayment Fund from the Unrestricted Revenues received during each indicated period are hereinafter called the "Pledged Revenues", and are hereby pledged to the repayment of the principal of and interest on the Notes, and such principal and interest shall constitute a first lien and charge on the Pledged Revenues, and shall be payable therefrom, and to the extent not so paid shall be paid from any other money of the District lawfully available therefor.

So long as any of the Notes are outstanding, moneys in the Repayment Fund shall be applied only for payment of principal and interest on the Notes when due in accordance therewith. On such date, the Director of Finance shall apply moneys in the Repayment Fund to the payment of principal of and interest on the Notes then due. Any balance in the Repayment Fund after payment in full of the Notes, or provision therefor, shall be deposited in the General Fund of the District.

Amounts held in the Repayment Fund shall be invested in investments permitted to the Proceeds Fund in accordance with Section 5 of this Resolution. The proceeds and earnings on all such investments shall be deposited in the Repayment Fund.

(c) Other Pledged Money. In the event that there have been insufficient Unrestricted Revenues received by the District to make the required deposit by the third business day prior to the end of any period in which a deposit in the Repayment Fund is required to be made, then the amount of any deficiency in the Repayment Fund shall be satisfied and made up from any other money of the District lawfully available for the payment of the principal of the Notes and the interest thereon (all as provided in Sections 53856 and 53857 of the Government Code) (the "Other Pledged Money") on such date or thereafter on a daily basis, when and as such Pledged Revenues and Other Pledged Money are received by the District.

Section 7. Execution of Notes. The President or Vice President of the Board is hereby authorized to execute the Notes by his or her manual or facsimile signature, and the Clerk or Secretary of the Board is hereby authorized to countersign the Notes by his or her manual or facsimile signature. The Notes shall not be valid, however, unless and until the Director of Finance or an authorized deputy thereof shall have manually authenticated such Notes by executing the Certificate of Authentication printed thereon.

Section 8. Tax Covenants; Rebate Fund.

(a) General. The District covenants that, in the event it is subject to rebate as provided in Section 5 of this resolution, it will make all calculations in a reasonable and prudent fashion relating to any rebate of excess investment earnings on the proceeds of the Notes due to the United States Treasury, will segregate and set aside from lawfully available sources the amount such calculations may indicate may be required to be paid to the United States Treasury, and will otherwise at all times do and perform all acts and things necessary and within its power and authority, including complying with each applicable requirement of Section 103 and Sections 141 through 150 of the Code and complying with the instructions of Bond Counsel referred to in Section 5 of this resolution, to ensure that interest paid on the Notes shall, for the purposes of federal income taxes and State of California personal income taxation, be excludable

from the gross income of the recipients thereof and exempt from such taxation. If such calculation is required, the District will immediately set aside, from revenues received or accrued during Fiscal Year 2010-11 or, to the extent not available from such revenues, from any other money lawfully available, the amount of any such rebate in a separate fund which the District hereby agrees to establish and maintain with the Director of Finance which shall be designated the "Sacramento City Unified School District 2010-11 Tax and Revenue Anticipation Notes Rebate Fund."

(b) Remedies Limited to Note Owners. Notwithstanding any other provision of this resolution to the contrary, upon the District's failure to observe, or refusal to comply with, the covenants contained in this section, no one other than the registered owners or former registered owners of the Notes shall be entitled to exercise any right or remedy under this resolution on the basis of the District's failure to observe, or refusal to comply with, such covenants.

(c) Survival of Covenants. The covenants contained in this section shall survive the payment of the interest on and the principal of the Notes.

(d) Reliance on Opinion of Bond Counsel. Notwithstanding any provision of this section, if the District shall provide to the Director of Finance an opinion of Bond Counsel that any specified action required under this section is no longer required or that some further or different action is required to maintain the exclusion from gross income for federal income tax purposes of interest on the Notes, the Director of Finance and the District may conclusively rely on such opinion in complying with the requirements of this section, and the covenants hereunder shall be deemed to be modified to that extent.

Section 9. Note Purchase Agreement; Sale of Notes: (a) The Note Purchase Agreement for the Notes, in substantially the form submitted to and on file with the Clerk of this Board of Education, is hereby approved, and the Authorized District Representative is hereby authorized and directed on behalf of the District to execute and approve the Note Purchase Agreement providing for the sale of the Notes by the Board of Supervisors of the County and the purchase thereof by the Underwriter at a purchase price to be set forth therein; provided, that (i) the true interest cost for the Notes shall not exceed 6%, (ii) the nominal interest rate on the Notes shall not exceed 6% per annum, (iii) the underwriter's discount shall not exceed 1% of the purchase price of the Notes; (iv) the purchase price of the Notes shall not be less than the aggregate principal amount of the Notes, and (v) the Notes shall otherwise conform to the limitations specified herein; and provided further, that such execution and approval shall constitute conclusive evidence of the approval by the District of any changes or revisions therein from the form of Note Purchase Agreement filed herewith. The Authorized District Representatives are hereby directed to cause the Note Purchase Agreement to be executed and delivered on behalf of the District, with such changes and revisions as the Authorized District Representative may require or approve.

The Note Purchase Agreement shall recite the aggregate principal amount, issuance date, maturity date and interest rate of the Notes and shall set forth the dates of deposit and amounts or proportions of Pledged Revenues to be deposited in the Repayment Fund on each

such date, all as shall be agreed between the Authorized District Representative and the Underwriter at the time of sale of the Notes, and the Notes as finally executed and delivered shall conform in all respects with the terms recited in the Note Purchase Agreement.

Section 11. Official Statement. The Official Statement relating to the Notes, in substantially the form submitted to and on file with the Clerk of this Board of Education, is hereby approved and adopted as the Official Statement of the District with respect to the Notes (the "Official Statement"), with such additions, changes and corrections as the Authorized District Representative may require or approve, and the Financial Advisor is hereby authorized to distribute copies of such Official Statement in preliminary form to persons who may be interested in purchasing the Notes. The Authorized District Representative is hereby authorized to certify, on behalf of the District, that the preliminary form of the Official Statement was deemed final as of its date, within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (except for the omission of certain final pricing, rating and related information as permitted by said Rule). The Authorized District Representative is hereby authorized and directed for and in the name and on behalf of the District, to sign said Official Statement in its final form, including the final pricing information, and the purchaser of the Notes is hereby authorized and directed to deliver copies of such Official Statement in final form to all subsequent purchasers of the Notes.

Section 13. Approval of Actions. All actions heretofore taken by the officers and agents of the District with respect to the sale and issuance of the Notes are hereby approved, and the President of this Board of Education, the Clerk of this Board of Education, any Authorized District Representative and any and all other officers of the District are hereby authorized and directed for and in the name of and on behalf of the District, to do any and all things and take any and all actions relating to the execution and delivery of any and all certificates, requisitions, agreements and other documents, including a paying agent agreement with respect to the Notes, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Notes in accordance with this resolution.

Section 14. Continuing Disclosure Certificate. The Continuing Disclosure Certificate, in substantially the form submitted to this Board of Education is hereby approved and the Authorized District Representative is hereby authorized and directed on behalf of the District to execute the Continuing Disclosure Certificate. The District hereby agrees and covenants that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate, as originally executed and as it may be amended from time to time in accordance with the terms thereof, and the Authorized District Representative is hereby authorized and directed to undertake and perform all continuing disclosure obligations contained in the Continuing Disclosure Certificate. Notwithstanding any other provision hereof, failure of the District to comply with the Continuing Disclosure Certificate shall not be considered an event of default hereunder; provided, that any registered owner of the Notes may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this section.

Section 15. Further Assurances. It is hereby covenanted and warranted by the District that all representations and recitals contained in this resolution are true and correct, and

that the District, and its appropriate officials, have duly taken all proceedings necessary to be taken by them, and will take any additional proceedings necessary to be taken by them, for the levy and collection and deposit of the Unrestricted Revenues pledged hereunder in accordance with law and with this resolution and for carrying out the provisions of this resolution. It is hereby further covenanted and warranted by the District that the provisions of the Notes and of this resolution shall constitute a contract between the District and the registered owners of the Notes, and such provisions shall be enforceable by mandamus or any other appropriate suit, action or proceeding at law or in equity in any court of competent jurisdiction, and shall be irrevocable; provided, that notwithstanding any other provision hereof to the contrary, upon the District's failure to observe, or refusal to comply with, the covenants contained herein, no one other than the registered owners or former registered owners of the Notes shall be entitled to exercise any right or remedy under this resolution on the basis of the District's failure to observe, or refusal to comply with, such covenants.

Section 16. Filing with the Board of Supervisors. The Clerk of this Board of Education is hereby authorized and directed to file a certified copy of this Resolution with the Clerk of the Board of Supervisors of the County.

Section 17. Effective Date. This resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this day, April 28, 2011, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED:

President of the Board of Education
of the Sacramento City Unified School District

ATTEST:

Secretary of the Board of Education of
the Sacramento City Unified School District

EXHIBIT A

**UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF SACRAMENTO**

**SACRAMENTO CITY UNIFIED SCHOOL DISTRICT
2010-11 TAX AND REVENUE ANTICIPATION NOTE**

Note Date: _____, 2011 **CUSIP:** _____

FOR VALUE RECEIVED, Sacramento City Unified School District (the "District"), located in the County of Sacramento, California (the "County"), hereby promises to pay to

CEDE & CO. (or registered assigns), as the Registered Owner hereof,

at the office of the Director of Finance of the County, in Sacramento, California, the Paying Agent, Registrar and Transfer Agent with respect to the Notes (as defined herein), the principal sum of

_____ **DOLLARS**
(\$ _____)

in lawful money of the United States of America, at its maturity date, on

_____, 2011

together with interest thereon at the rate of

_____ **PERCENT** (_____ %)

per annum (computed on the basis of a 360-day year of twelve 30-day months) in like lawful money from the Note Date specified above until payment in full of said principal sum. Interest shall be payable at the maturity hereof. This note shall not be subject to redemption prior to the stated maturity date.

Principal and interest due at maturity shall be paid to the registered owner hereof only upon surrender hereof at the office of the Director of Finance of the County. No interest shall be payable for any period after maturity hereof during which the registered owner hereof fails to properly present this note for payment.

It is hereby certified, recited and declared that this note is one of an authorized issue of notes entitled, "Sacramento City Unified School District 2010-11 Tax and Revenue Anticipation Notes" (the "Notes"), in the aggregate principal amount of \$ _____, all of like date, tenor and effect, issued under and by authority of Title 5, Division 2, Part 1, Chapter 4, Article 7.6 (commencing with Section 53850) of the California Government Code, and made,

executed and given pursuant to and by authority of a resolution (the "Resolution") of the Board of Education of the District duly passed and adopted on April 7, 2011), and subject to the more particular terms specified in the Note Purchase Contract executed on _____, 2011, by the Authorized District Representative. It is hereby further certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this note have existed, happened and 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, shall be payable from taxes, income, revenue, cash receipts and other moneys which are received for or which accrue to the General Fund of the District during Fiscal Year 2010-11 and which are lawfully available for the payment of current expenses and other obligations of the District (the "Unrestricted Revenues"). As security for the payment of the principal of and interest on this note and all Notes of said authorized issue, the District has pledged the Unrestricted Revenues which shall be deposited in the Repayment Fund in the following manner pursuant to the Note Purchase Contract: (i) an amount equal to ____ of the principal amount of the Notes from the first Unrestricted Revenues received by the District during the period ending _____, 2011 and (ii) an amount equal to ____ of the principal amount of the Notes, plus an amount sufficient (when all previous deposits and earnings on the Repayment Fund are taken into account) to pay all principal and interest with respect to the Notes, from the first Unrestricted Revenues received by the District during the period ending _____, 2011 which accrue to the District's General Fund in Fiscal Year 2010-11. The amounts pledged by the District for deposit into the Repayment Fund from the Unrestricted Revenues received during each indicated period are hereinafter called the "Pledged Revenues", and the principal of and the interest on this note and all Notes of said authorized issue shall constitute a first lien and charge thereon and shall be payable therefrom, and to the extent not so paid shall be paid from any other money of the District lawfully available therefor.

This note is transferable by the registered owner hereof in person or by such owner's attorney duly authorized in writing at the office of the Director of Finance, but only in the manner, subject to the limitations and upon payment of the charges provided in the Resolution, and upon surrender and cancellation of this note. Upon such transfer a new Note or Notes of authorized denominations and for the same aggregate principal amount and the same nominal rate of interest will be issued to the transferees in exchange herefor. The District and the Director of Finance may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and the District and the Director of Finance shall not be affected by any notice to the contrary.

This note shall not be valid or become obligatory for any purpose until the Certificate of Registration hereon shall have been signed by the Director of Finance.

IN WITNESS WHEREOF, the Sacramento City Unified School District has caused this 2010-11 Tax and Revenue Anticipation Note to be executed by the President of the Board of the District by manual signature, and countersigned by its Clerk or Secretary by manual signature, all as of the Note Date specified above.

SACRAMENTO CITY UNIFIED SCHOOL
DISTRICT

By _____
President of the Board of Education

Countersigned:

Clerk of the Board of Education

DTC LEGEND

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Note is one of the Notes described in the within-mentioned Resolution, which Note has been registered on _____, 2011.

DIRECTOR OF FINANCE OF THE COUNTY OF
SACRAMENTO, California, as Paying Agent,
Registrar and Transfer Agent

ASSIGNMENT

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

Taxpayer I.D. Number

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

Dated: _____

Signature Guarantee: _____

Notice: Signature must be guaranteed by an eligible guarantor institution.

SECRETARY'S CERTIFICATE

The undersigned Secretary of the Board of Education of the Sacramento City Unified School District, County of Sacramento, California, does hereby certify as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Education of said District duly and regularly held at the regular meeting place thereof on April 28, 2011, of which meeting all of the members of said Board of Education had due notice and at which a quorum thereof was present; and at said meeting said resolution was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

An agenda of said meeting was posted at least 72 hours before said meeting at Serna Center 5735 47th Avenue, Sacramento, California, a location freely accessible to members of the public, and a brief description of said resolution appeared on said agenda. A copy of said agenda is attached hereto.

I further certify that said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

WITNESS my hand this ____ day of _____, 2011.

Secretary of the Board of Education
Sacramento City Unified School District