



Overview of Non-Voter Debt / Certificates Of Participation

February 8, 2024



Non-Voter Approved Debt

OVERVIEW:

- Non-Voter Approved Debt is a type of municipal debt that is issued without the approval of taxpayers. It is guaranteed directly against the issuer’s general fund revenues.
- School districts utilize this debt as an alternative financing option to general obligation bonds to fund capital facility projects and/or acquisition of property.
- Washington USD has issued five (5) series of non-voter approved debt utilizing Lease Purchases and Certificates of Participation.

WUSD OUTSTANDING NON-VOTER APPROVED DEBT SUMMARY

SERIES	ISSUE DATE	ORIGINAL PAR AMOUNT	FINAL MATURITY	NET INTEREST RATE	PRINCIPAL AMOUNT OUTSTANDING	CALL DATE	PLEGDED ASSET
2007 COP	6/28/2007	\$70,645,000	8/1/2037	4.00%	\$0	Refunded in 2017	Bridgeway Island ES
2010 Lease-Purchase (QSCB)	4/9/2010	8,885,432	3/15/2026	1.42% [3]	8,885,432 [1]	-	Stonegate ES
2012 Lease-Purchase (CREB)	10/23/2012	7,306,260	6/1/2029	2.08% [4]	3,025,131	-	Southport ES
2014 COPs	12/10/2014	6,055,000	12/1/2039	3.74%[5]	5,150,000	12/1/2024	Bridgeway Island ES
2017 Refunding COPs[2]	6/22/2017	63,805,000	8/1/2036	2.82%	46,600,000	8/1/2026	River City High School
TOTAL AMOUNT OUTSTANDING		\$86,051,692			\$63,660,563		

[1] The sinking fund balance as of June 30, 2023, is \$7,219,414.

[2] A portion of the debt is paid by the City.

[3] Reflects net interest rate including subsidized rate of 5.83%.

[4] Reflects net interest rate including subsidized rate of 3.01%.

[5] Interest rate reflects an approximate number due to a re-run of final numbers by KNN using parameters provided in the Official Statement.



2010 Lease-Purchase - QSCB



QUALIFIED SCHOOL CONSTRUCTION BONDS ("QSCBS"):

Authorized through the American Recovery and Reinvestment Act of 2009, qualified issuers may receive a credit or direct pay federal subsidy for the rehabilitation, repair, and equipping of schools.

OVERVIEW OF WUSD 2010 QSCB:

- On April 9, 2010, the District issued Lease-Purchase QSCBs for a total par amount of \$8,885,432.
- The net effective interest rate (after subsidy) is 1.42%
 - Includes the subsidized rate of 5.83%.
- JP Morgan Chase ("Direct Purchase Bank") underwrote the bonds via private placement.
- The District has been making sinking fund payments in accordance with a schedule established with the Direct Purchase Bank. As of June 30, 2023, the sinking fund balance held by the Yolo County Treasurer (as paying agent) is approximately \$7.22 million.
- The final maturity of the bonds are scheduled for March 15, 2026.

2010 QSCB PAYMENT SCHEDULE*

	PRINCIPAL (SINKING FUND DEPOSITS)	INTEREST	TOTAL RENTAL PAYMENT
3/15/2011	\$555,340	\$117,762	\$673,101
3/15/2012	555,340	126,173	681,513
3/15/2013	555,340	126,173	681,513
3/15/2014	555,340	126,173	681,513
3/15/2015	555,340	126,173	681,513
3/15/2016	555,340	126,173	681,513
3/15/2017	555,340	126,173	681,513
3/15/2018	555,340	126,173	681,513
3/15/2019	555,340	126,173	681,513
3/15/2020	555,340	126,173	681,513
3/15/2021	555,340	126,173	681,513
3/15/2022	555,340	126,173	681,513
3/15/2023	555,340	126,173	681,513
3/15/2024	555,340	126,173	681,513
3/15/2025	555,340	126,173	681,513
3/15/2026	555,340	126,173	681,513
	\$8,885,432	\$2,010,358	\$10,895,790

*Interest component represents a supplemental coupon of 1.42%.



2012 Direct Lease-Purchase CREBs



CLEAN RENEWABLE ENERGY BONDS ("CREBS"):

A form of tax credit bonds that allows qualified issuers to finance certain renewable energy projects/facilities at subsidized interest costs.

OVERVIEW OF WUSD 2012 CREBS:

- On October 23, 2012, the District issued Lease-Purchase CREBs for a total par amount of \$7,306,260 at an interest rate of 5.09%.
- The net effective interest rate (after subsidy) is 2.08%.
- The District receives a Federal interest subsidy.
- There is \$3,025,131 total debt outstanding.
- The final maturity of the bonds are scheduled for October 23, 2029.

2012 CREB PAYMENT SCHEDULE

	PRINCIPAL	INTEREST	TOTAL RENTAL PAYMENT	SUBSIDY PAYMENT	NET RENTAL PAYMENT
10/23/2013	-	\$371,889	\$371,889	\$219,918	\$151,970
10/23/2014	\$389,553	371,889	761,441	219,918	541,523
10/23/2015	397,656	352,060	749,716	208,193	541,523
10/23/2016	405,927	331,820	737,746	196,223	541,523
10/23/2017	414,370	311,158	725,528	184,005	541,523
10/23/2018	422,989	290,067	713,056	171,533	541,523
10/23/2019	431,787	268,536	700,324	158,801	541,523
10/23/2020	440,768	246,559	687,327	145,804	541,523
10/23/2021	449,936	224,123	674,060	132,537	541,523
10/23/2022	459,295	201,222	660,517	118,994	541,523
10/23/2023	468,848	177,844	646,692	105,169	541,523
10/23/2024	478,600	153,979	632,579	91,053	541,526
10/23/2025	488,555	129,618	618,174	76,651	541,523
10/23/2026	498,717	104,751	603,468	61,945	541,523
10/23/2027	509,090	79,366	588,457	46,934	541,523
10/23/2028	519,680	53,454	573,133	31,610	541,523
10/23/2029	530,489	27,002	557,491	15,968	541,523
	\$7,306,260	\$3,695,336	\$11,001,596	\$2,185,255	\$8,816,341



2014 Certificates Of Participation



CERTIFICATES OF PARTICIPATION ("COPS"):

A debt instrument used by issuers to finance facility projects. The debt is issued through a lease-financing agreement and payments on the debt is backed by the General Fund.

2014 COPS DEBT SERVICE

OVERVIEW OF WUSD 2014 COPS:

- On December 10, 2014, the District issued \$6.055 million in COPS.
- The COPS were utilized to finance solar energy and conservation projects throughout the District.
- There is \$5,150,000 total debt outstanding.

	PRINCIPAL	INTEREST	ANNUAL DEBT SERVICE
12/1/2015	-	\$204,659	\$204,659
12/1/2016	\$85,000	209,906	294,906
12/1/2017	80,000	208,206	288,206
12/1/2018	90,000	206,606	296,606
12/1/2019	100,000	204,806	304,806
12/1/2020	115,000	202,806	317,806
12/1/2021	130,000	199,356	329,356
12/1/2022	145,000	195,456	340,456
12/1/2023	160,000	191,106	351,106
12/1/2024	175,000	186,306	361,306
12/1/2025	190,000	181,056	371,056
12/1/2026	225,000	174,406	399,406
12/1/2027	245,000	166,531	411,531
12/1/2028	270,000	157,956	427,956
12/1/2029	290,000	148,506	438,506
12/1/2030	315,000	138,356	453,356
12/1/2031	315,000	127,331	442,331
12/1/2032	340,000	116,306	456,306
12/1/2033	365,000	103,981	468,981
12/1/2034	395,000	90,750	485,750
12/1/2035	250,000	75,938	325,938
12/1/2036	395,000	66,563	461,563
12/1/2037	425,000	51,750	476,750
12/1/2038	460,000	35,813	495,813
12/1/2039	495,000	18,563	513,563
	\$6,055,000	\$3,663,021	\$9,718,021

NEW ISSUE - FULL BOOK ENTRY BANK QUALIFIED

S&P Insured Rating: "AA" S&P Underlying Rating: "A" See "RATINGS" herein

In the opinion of Quin & Thimig LLP, Larkspur, California, Special Counsel, subject to compliance by the District with certain covenants, interest with respect to the Certificates is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but such interest is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. In addition, in the opinion of Special Counsel, the Lease Agreement is a "qualified tax exempt obligation" under section 2638(f) of the Internal Revenue Code of 1986. In addition, in the opinion of Special Counsel, interest with respect to the Certificates is exempt from personal income taxation imposed by the State of California. See "LEGAL MATTERS—Tax Matters" herein.

\$6,055,000
CERTIFICATES OF PARTICIPATION
 (2014 Solar Energy and Conservation Projects)
 Issuing District, Undivided Fractional Interest of the Registered Owner Hereof In Lease Payments to be Made by the
WASHINGTON UNIFIED SCHOOL DISTRICT
 (Yolo County, California)
 as the Rental for Certain Property Pursuant to a Lease Agreement with
PUBLIC PROPERTY FINANCING CORPORATION OF CALIFORNIA

DATED: Date of Delivery **DUE: December 1, as shown on the inside cover**

The Washington Unified School District Certificates of Participation (2014 Solar Energy and Conservation Projects) (the "Certificates") are being issued by the Washington Unified School District (the "District") to (i) finance solar energy and conservation projects throughout the District (collectively the "Project"), (ii) fund capital interest through December 1, 2015 and (iii) pay certain delivery costs of the Certificates, including the premiums for a municipal bond insurance policy and debt service reserve insurance policy.

The Certificates evidence direct, undivided fractional interests of the registered owners thereof in Lease Payments to be made by the District to Public Property Financing Corporation of California (the "Corporation") for the use and occupancy of the Facility (as defined herein) under and pursuant to a lease agreement dated as of December 1, 2014 (the "Lease Agreement"), between the District and the Corporation. The Corporation has assigned its right to receive Lease Payments from the District under the Lease Agreement and its right to enforce payment of the Lease Payments when due or otherwise protect its interest in the event of a default by the District thereunder to The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), for the benefit of the registered owners of the Certificates.

The Certificates will be executed and delivered in book-entry form only, and will be initially executed and registered in the name of Code & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Purchases of the Certificates (the "Beneficial Owners") will not receive physical certificates representing their interest in the Certificates. See "APPENDIX F—BOOK ENTRY SYSTEM" herein. Interest with respect to the Certificates is payable semiannually on June 1 and December 1 of each year commencing June 1, 2015. The Certificates are subject to redemption prior to maturity as described herein. See "THE CERTIFICATES—Redemption Provisions" herein.

The District has covenanted in the Lease Agreement to make all Lease Payments due under the Lease Agreement, subject to abatement during any period in which by reason of damage or destruction of the Facility, or by reason of eminent domain proceedings with respect to the Facility, there is substantial interference with the use and occupancy by the District of the Facility or any portion thereof. The District has covenanted in the Lease Agreement to take such action as may be necessary to include all Lease Payments in its annual budgets and to make the necessary annual appropriations for all such Lease Payments.

The obligation of the District to make Lease Payments does not constitute an obligation of the District for which the District is obligated to levy or pledge any form of taxation. Neither the Certificates nor the obligation of the District to make Lease Payments under the Lease Agreement constitutes a debt or indebtedness of the Corporation, the District, or the State of California or any political subdivision thereof within the meaning of any Constitutional or statutory debt limitation or restriction or an obligation for which the Corporation or the District is obligated to levy or pledge any form of taxation.

The scheduled payment of principal and interest with respect to the Certificates when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Certificates by ASSURED GUARANTY MUNICIPAL, INC. See "BOND INSURANCE" and "APPENDIX E—SPECIMEN MUNICIPAL BOND INSURANCE POLICY."

This cover page contains certain information for general reference only. It is not a summary of all provisions of the Certificates. Prospective investors must read the entire Official Statement to obtain information essential to the making of an informed decision.

ASSURED GUARANTY MUNICIPAL
 BOND INSURANCE POLICY

MATURITY SCHEDULE

See Inside Cover

The Certificates are being purchased for re-offering to Robert W. Baird & Co. Incorporated as Underwriter of the Certificates. The Certificates will be offered when, as and if executed and delivered and received by the Underwriter, subject to the approval as to their legality by Quin & Thimig LLP, Larkspur, California, Special Counsel. It is anticipated that the Certificates, in definitive form, will be available for delivery through the facilities of DTC on or about December 10, 2014.

This Official Statement is dated November 19, 2014



2017 COP Refunding

- The District issued \$63.805 million of Certificates of Participation on June 22, 2017, to current refund the 2007 Certificates of Participation.
- The total current debt service is split on annual basis between the City & the District. The City is responsible for approximately 19.76% of the annual payments.

DATE	2017 TOTAL DEBT SERVICE			CITY PORTION			WUSD PORTION		
	PRINCIPAL	INTEREST	DEBT SERVICE	PRINCIPAL	INTEREST	DEBT SERVICE	PRINCIPAL	INTEREST	DEBT SERVICE
8/1/2017	\$2,975,000	\$1,499,927	\$4,474,927	\$587,765	\$296,338	\$884,103	\$2,387,235	\$1,203,589	\$3,590,824
8/1/2018	2,095,000	2,386,769	4,481,769	413,905	471,549	885,455	1,681,095	1,915,219	3,596,314
8/1/2019	2,190,000	2,279,644	4,469,644	432,674	450,385	883,059	1,757,326	1,829,259	3,586,585
8/1/2020	2,305,000	2,167,269	4,472,269	455,394	428,183	883,578	1,849,606	1,739,086	3,588,691
8/1/2021	2,425,000	2,049,019	4,474,019	479,103	404,821	883,923	1,945,897	1,644,198	3,590,095
8/1/2022	2,540,000	1,988,394	4,528,394	501,823	392,843	894,666	2,038,177	1,595,551	3,633,728
8/1/2023	2,675,000	1,861,394	4,536,394	528,495	367,752	896,247	2,146,505	1,493,642	3,640,147
8/1/2024	2,800,000	1,727,644	4,527,644	553,191	341,327	894,518	2,246,809	1,386,316	3,633,126
8/1/2025	2,950,000	1,587,644	4,537,644	582,826	313,668	896,494	2,367,174	1,273,976	3,641,150
8/1/2026	3,090,000	1,440,144	4,530,144	610,485	284,526	895,012	2,479,515	1,155,617	3,635,132
8/1/2027	3,230,000	1,285,644	4,515,644	638,145	254,002	892,147	2,591,855	1,031,642	3,623,497
8/1/2028	3,365,000	1,156,444	4,521,444	664,817	228,476	893,293	2,700,183	927,967	3,628,151
8/1/2029	3,500,000	1,021,844	4,521,844	691,488	201,884	893,372	2,808,512	819,960	3,628,472
8/1/2030	3,635,000	881,844	4,516,844	718,160	174,224	892,384	2,916,840	707,620	3,624,460
8/1/2031	3,755,000	736,444	4,491,444	741,868	145,498	887,366	3,013,132	590,946	3,604,078
8/1/2032	3,865,000	623,794	4,488,794	763,601	123,242	886,842	3,101,399	500,552	3,601,951
8/1/2033	3,975,000	507,844	4,482,844	785,333	100,334	885,667	3,189,667	407,510	3,597,177
8/1/2034	4,095,000	388,594	4,483,594	809,041	76,774	885,815	3,285,959	311,820	3,597,779
8/1/2035	4,220,000	260,625	4,480,625	833,737	51,491	885,229	3,386,263	209,134	3,595,396
8/1/2036	4,120,000	128,750	4,248,750	813,981	25,437	839,417	3,306,019	103,313	3,409,333
TOTAL DEBT SERVICE	\$63,805,000	\$24,985,474	\$88,790,474	\$12,605,832	\$4,936,333	\$17,542,165	\$51,199,168	\$20,049,142	\$71,248,309

* Payment allocations are sourced from Washington Unified School District



WUSD Facility Improvements

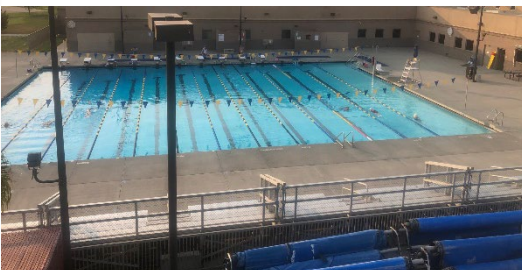
2007/2017 REFUNDING COPS

» Improvements at River City High school



2010 QSCBS

» Energy Efficiency upgrades:
▪ Lighting & HVAC upgrades
▪ Thermal solar for the River City High School pool



2012 CREBS

» Funded Solar projects at:
▪ Bridgeway Island Elementary
▪ Southport Elementary,
▪ Stonegate Elementary,
▪ Riverbank Elementary,
▪ River City High, and
▪ Westmore Oak Elementary



2014 COPS

» Funded Solar projects at:
▪ Bryte Elementary,
▪ Elkhorn Elementary,
▪ Westfield Elementary,
▪ Yolo Education Center,
▪ Washington Middle,
▪ College High School, and
▪ District Office





Summary

- As of 2023-24, WUSD has \$63,660,563 of total outstanding non-voter approved debt
 - » 2010 Lease (QSCB) retains a sinking fund balance of \$7.22 M as of FY 2022-23.

- WUSD's annual debt service payments for non-voter approved debt (includes principal and interest) in FY 2023-24 totals \$5,214,289.

- Currently, the District utilizes a combination of developer fee revenues and redevelopment pass-through revenues to meet its annual COP debt service payments.

- Potential refunding opportunity for 2014 COPs:
 - » The 2014 COPs have a call date of 12/1/2024 and may be refunded to reduce the general fund payments. Currently, rates are higher than that of the rate locked in for the 2014 COPs.
 - » District staff together with KNN will continue to monitor market conditions and will provide updates regarding a potential refunding when rates become favorable.

Appendix



Certificates of Participation

OVERVIEW

- School districts can utilize certificates of participation ("COPs") as an alternative financing option to general obligation bonds to fund capital facility projects and/or acquisition of property.
- The district will select a school site and facilities to be the leased property.
 - » The district enters a lease and will make lease payments to a third-party lessor (usually a non-profit corporation created by or on behalf of the district).
 - » Rights to the leased property are temporarily assigned to the third-party and are returned once the COPs are repaid.
 - » A trustee is assigned to execute and deliver the COPs to investors to purchase and provide upfront funding for the district to utilize.

COP KEY POINTS:

- ✓ Function as a lease purchase financing structure and are therefore not bonds.
- ✓ Not subject to statutory requirements such as voter approval or tax rate limitations.
- ✓ Requires approval of the district's County Office of Education.
- ✓ The district can utilize specific revenue sources for repayment (i.e. developer fees) however debt is ultimately backed by the general fund
- ✓ Each COP "owner" is entitled to a proportionate amount of the lease payments as opposed to receiving bond interest.

COP Legal Structure of Lease Financing

